

Horizontality in Government: A Single Case Study Analysis of the Job Opportunities Program in British Columbia

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I. EXECUTIVE SUMMARY

The Community Development Trust's (CDT) Job Opportunities Program (JOP) is a three year program (2008-2011) developed to provide short term employment opportunities for unemployed forest workers in forest-dependent communities in British Columbia (BC). The purpose of the JOP is to:

- i) retain skilled workers in forest-dependent communities;
- ii) reduce the impacts of lay-offs affecting workers directly employed in the forest industry; and
- iii) enhance workers' existing skill sets.

Initially the JOP was coordinated across the Ministry of Forests and Range (MFR), the Ministry of Labor and Citizens' Services (MLCS), the Ministry of Economic Development (MED), and PricewaterhouseCoopers (PwC). In early 2008, shortly after implementation and a Cabinet shuffle, management responsibility was transferred to the MFR and the newly formed Ministry of Community and Rural Development (MCD).

On December 11, 2009 the final funding intake window was announced for the JOP and applications were accepted until January 22, 2010. As the JOP has been horizontally managed across different organizations since inception, a single case study of the program was conducted in this report in order to detail the benefits and limitations of horizontal management of the JOP, and to provide the MFR with a report outlining recommendations for future horizontally managed programs based on a review of smart practices.

The central questions that necessitated the creation of this report include:

- (1) How effective and why was horizontal management used to deliver and implement the JOP in BC?
- (2) What were the benefits and limitations of the application of horizontality through the JOP?

In order to provide both a theoretical and practical report adding to the knowledge of horizontal management and to answer the central questions posed, a number of key steps were required. These include: i) a literature review on horizontal management, ii) a background review of the recent downturn in the forest industry, highlighting the mitigating effects and factors; as well as a background review of the CDT and the JOP, iii) presenting a case study of the JOP, iv) conducting a survey of external and internal participants that had involvement with the program and reporting results, v) analysis of the case study correlated with the survey findings, and vi) providing a suite of recommendations.

Through analysis of the JOP over the course of its three year term and as a result of the information gained through the survey findings, a greater understanding of the contributing factors that influence successful horizontal initiatives has been determined. Upon review it is evident that, while not all-encompassing, four significant factors stand out as causative to effective horizontal management and these include:

- i) program development;
- ii) program delivery;
- iii) accountability; and
- iv) leadership.

Each of these factors highlights specific requirements and responsibilities of not only horizontal group members but also of the coordinating vertical organization. When these four factors are fused together the path to securing the effective development and implementation of horizontal initiatives is achieved and together, are highly conducive to securing successful program outcomes.

As a result of the single case study analysis of the JOP over the three year term, four recommendations have been developed that will assist the MFR with the development and implementation of future horizontal initiatives in government. First, during program development it is crucial to construct a logical and definitive structure and to link the program to specific goals and objectives. This will ensure that members have a clear understanding regarding the rationale behind group development.

Second, it is imperative to develop specific reporting requirements, roles and individual responsibilities for group members. All individuals involved in the horizontal initiative must be aware of what they are responsible for and understand who they are accountable to. It is imperative to ensure that a government program has government accountability firmly in place.

Third, it is essential that the coordination and execution of program delivery includes a communications plan that outlines reporting requirements with clear timeframes and a specified reporting structure. The financial resources and the resultant requirements with respect to the communications surrounding a horizontal initiative must be clearly outlined by the time a program has been implemented in order to solidify both internal and external accountability.

Finally, it is important to complete a program evaluation at the conclusion of any horizontally managed program. The smart practices used in program development must also be completed through a review of a program at its conclusion. This will ensure that future programs benefit from the practical knowledge gained through an examination of the following four stages: i) consultation; ii) development; iii) implementation; and iv) delivery. Both the successes and limitations from an evaluation of these four stages will further inform the practical application of future horizontally managed programs in government.

This report shows that the use of horizontal arrangements in the public service can be successful and provides government with a single case study analysis that includes specific examples of not only the challenges and risks of implementing horizontal initiatives but also the benefits of its use to deliver the JOP.

Evidence has been presented highlighting that the use of partnership arrangements and the completion of a smart practices review and evaluation, when completed effectively, leads to recognized success and solidifies widespread internal and external accountability. While

the theoretical knowledge and a single definitive methodology surrounding horizontal management is not yet in place, this report provides an additional example of its use in practice, with the prominence of high achievement and notable accomplishments highlighted to inform future thinking and practice in this area.

Table of Contents

Executive Summary	2
Table of Contents	5
List of Figures	9
Introduction	10
Project Statement	11
Literature Review	12
Introduction	12
Background	12
New public management	12
Network governance	13
Horizontal management	13
Rationale	14
Definition	14
Manifestations of horizontal management	14
Essence and evolution	15
Coordination	15
Delivery mechanisms	16
Why do we need horizontal management?	17
Vertical support	17
Efficiency	18
Financial resources	18
Making horizontal management work	19
Group dynamics	19
Characteristics and requirements of group members	20
Group development	21
Voluntary involvement	22
Measurements of success	22
Program evaluation	23
Accountability	23
Accountability to the public	24
Individual accountability	24
Ministerial accountability	24
Central agency accountability	25
Accountability between public private partnerships	27
Leadership	27
Shared leadership	27
Leadership qualities	28
Challenges and risks	28
Structure and development	29

Horizontality and federalism	29
Horizontality and the vertical structure	30
Individual priorities.....	31
Outcomes.....	33
Strategies.....	33
Conclusion.....	34
Methodology.....	36
Project rationale.....	36
Research methods.....	36
Analysis	37
Unit of analysis	27
Quantitative analysis.....	37
Qualitative analysis.....	38
Surveys	38
Survey rationale	38
Survey participants	38
Survey anonymity.....	38
Survey questions.....	39
Survey analysis	39
Survey limitations	39
Ethical approval.....	40
Case Study Background.....	41
Forest industry.....	41
Background.....	41
Forest economy.....	41
Ecological disturbances	42
Moving forward	43
Community Development Trust (CDT) Fund – Consultation and Formation	43
Background.....	43
Provincial announcement.....	44
Priorities.....	44
Principles	44
Consultation.....	45
Job Opportunities Program (JOP) – Development and Implementation.....	45
Program delivery.....	46
Program goal.....	46
Program objectives and principles	47
Program funding	47
Eligible applicants.....	47
Eligible workers.....	48
Eligible work activities	48

Selection criteria	49
Current program status.....	50
Case Study	51
Study questions	51
Key issues.....	52
Year one – 2008/2009	52
Program development and timelines.....	52
Program delivery.....	52
Accountability.....	53
Applicants	53
Expression of interest.....	54
Program redevelopment – September 2008.....	55
Funding approvals.....	56
Funding announcements	56
Initial announcements.....	57
Program progression and funding.....	57
Year two – 2009/2010	58
Program redevelopment – April 2009	58
Application intake window	59
Funding allocation	60
Project review	61
Timelines and executive direction	61
Funding decisions	62
Federal Community Adjustment Fund	62
MCD horizontality.....	63
Smart practices.....	64
Year three – 2010/2011	64
Program redevelopment – December 2009	64
Final program outcomes	65
Findings	66
External survey.....	66
Program respondents.....	66
Program notification	67
Program objectives	67
Application process.....	68
Program enquiries pre-approval.....	69
Program enquiries post-approval	70
Other comments	70
Overall	71
Administration	71
Application and budget process.....	71

Program delivery.....	71
Additional funding.....	72
Internal survey.....	72
Program respondents.....	72
Program objectives	73
Application process.....	73
Horizontal management in government.....	74
Recommended changes.....	75
Program enquiries.....	76
Other comments.....	77
Overall	77
Administration	78
Program benefits and limitations	78
Horizontal management.....	79
Transparency and funding allocations	79
Program continuation.....	79
Analysis	81
Program development	81
Program delivery	83
Accountability	84
Leadership	87
Recommendations.....	90
Recommendation one.....	90
Recommendation two.....	91
Recommendation three.....	92
Recommendation four	92
Conclusion	94
References.....	96
Appendix A – Survey Questions	101
Appendix B – Stakeholder Groups	109
Appendix C – Tuition and Transition Program Eligibility Criteria.....	111
Appendix D – Job Opportunities Program Worker Eligibility Criteria	112

List of Figures

Figure 1 – Interorganizational collaborative capacity framework.....	20
Figure 2 – JOP, CDT, Forest Industry Relationship.....	41
Figure 3 – JOP logic model	45
Figure 4 – CDT and JOP players	51
Figure 5 – External survey participants chart	66
Figure 6 – External program notification chart	67
Figure 7 – Program objectives chart	68
Figure 8 – Application process chart	69
Figure 9 – Pre-approval program enquiries chart	70
Figure 10 – Internal survey participants chart	72
Figure 11 – Application process chart	74
Figure 12 – Horizontality in government chart	75
Figure 13 – Recommended program changes chart.....	76
Figure 14 – Program enquiries chart.....	77

II. INTRODUCTION

This research project examines the CDT's JOP in BC through the theory of horizontal management. Today horizontal arrangements are commonly being used throughout the public service and in public private partnerships (PPP) to overcome the traditional use of vertical and hierarchical patterns of doing business in modern organizations.

Traditional vertical management has often encouraged territorial and jurisdictional biases and historically has been an inherent feature in the public service. Today managers are seeking new ways to meet government goals and objectives. Innovative avenues to reduce redundancies and to create methods of efficiency are being sought by executing program delivery through the use of horizontal management and partnership arrangements. Organizational boundaries are breached while the integration of policies and service delivery is enhanced.

The MFR approached the researcher with a single case study analysis of the JOP to examine the theory of horizontal management in practice. The central questions of the report seek to answer how and why the use of horizontal management to deliver and implement the JOP in BC was effective from a government perspective, and to address the benefits and limitations of the application of horizontality through a review of the JOP.

The aim of the report is to show how the use of horizontal arrangements in the public service can be highly beneficial and to provide government with an example of its positive use of horizontality carried out through the JOP. The outcome of the partnerships used also provide evidence of the smart practices deployed during the three year term of the program and which emerge through the analysis of the JOP in this report.

The research key deliverables sought by the client for this report include a background review of three specific factors including: the recent economic impacts on the forest industry, a detailed description of the CDT, and the development and implementation of the JOP. In addition, a literature review examining horizontal management is provided, detailed findings from survey results are discussed, and a single case study analysis of the JOP is completed through the lens of horizontal management theory. Final outcomes as a result of the project include recommendations to the MFR on the development and implementation of future horizontal programs in government.

The report is divided into eleven sections: Section I – Executive Summary; Section II – Introduction; Section III – Project Statement; Section IV – Literature Review; Section V – Methodology; Section VI – Case Study Background; Section VII – Case Study; Section VIII – Findings; Section IX – Analysis; Section X – Recommendations; Section XI – Conclusion; Section XII – References. In addition, appendices are included which include descriptive documents to supplement the report.

Today, horizontal management is still in development and the experiences available to further inform its benefits and limitations are required. This report seeks to enhance the literature available in the public sector context through a single case study analysis of the JOP in BC.

III. PROJECT STATEMENT

This project was written in order to examine through a single case study analysis of the JOP, how the use of horizontal management across more than one organization, rather than the use of one party, better informed program development, implementation, and execution of the program. The benefits, challenges, and outcomes are discussed through the lens of horizontal partnerships with a review of the theories surrounding its use in both the public and private sector.

The single case study format was chosen within the aspect of horizontal management theory due to the number of players involved with the program over the course of its three year history. The JOP lends itself to a single case study due to the central questions of this report being how and why the use of horizontal management to deliver and implement the JOP in BC can be considered effective, while further addressing the benefits and limitations of the practical application of horizontality in government.

While multiple or comparative case studies might have been examined, it was considered important to uncover the depth of issues associated with horizontality in the JOP by tackling this one case in detail. In this way, the case study contributes to knowledge and understanding regarding the complexities that arise out of inter-organizational phenomena and a review of real-life events that occurred in the JOP that addresses the multiple of stakeholder perspectives that were involved.

As a result of the funding being provided by the federal government through the national CDT fund it is clear that partnership arrangements and horizontality played a significant role in the program's accomplishments and limitations. The research from this study provides an analysis of a horizontal program that has had a number of developmental challenges, partnership arrangements, and provincial impacts. The current information and research available on horizontal management makes this study important and highly beneficial by adding to the current knowledge base on this theory.

The practical benefit of this report provides the BC government with information that can be used in the future as a guide to the effective use of horizontal arrangements when developing new programs and initiatives that will deliver services and funding to communities in BC. Further, this report adds to the theoretical knowledge base regarding the theory of horizontal management and its application in BC through the lens of a single case study, rather than a through a review of an extensive collation of case studies that – while worthwhile – might risk the opportunity to uncover layers of detail that otherwise might be missed.

IV. LITERATURE REVIEW

Introduction

This literature review demonstrates that there is no consensus regarding conceptual articulation of horizontal management by presenting numerous interpretations from academic and practitioner sources of what the definition of horizontal management should be. Practically speaking, a number of questions often appear as a result of being involved in a horizontal process. A primary question that recurs throughout the literature is: does horizontal management improve project management? In order to confront this issue, one must ask if the projects at stake would have been possible without the horizontal management approach. In addition, how can trust be built within the horizontal group without losing the trust of members from the original organization? Who do the group members report to? How can an innovative project involving divergent actors make progress?

By reviewing the background and definitions of horizontal management, this literature analysis will examine why it is needed. Making horizontal management work, accountability demands, leadership, and the outcomes of horizontal initiatives will be explored. Like any theoretical model, challenges are encountered. Mechanisms for addressing these challenges are developed through both the literature review and in the recommendations.

Background

Traditional vertical management was prevalent in the public service and in private sector organizations as recent as twenty years ago. The hierarchical structure that makes up traditional management theory was, and remains, a catalyst propelling new public management (NPM) and its offshoot, horizontal management, today. Traditional organizational theory is a product of power roles and authority, with the mentality of management versus worker being prevalent. These hierarchical systems are organization centered with the significant emphasis being on the organization itself and are based on rules, constraints, and procedures (Pal, 2006; Kernaghan, 2000).

Pal (2006) notes that traditional governance is hierarchical and therefore these traditional ideologies believed that government authorities had the core responsibility of delivering services to citizens. Kernaghan (2000) elaborates further that previously, bureaucratic organizations acted independently with little cooperation or coordination. NPM emerged in stark contrast to traditional theories and rejected the hierarchy in government bureaucracies (Osbourne and Gaebler, 1993).

New public management

Pal (2006) defines NPM as a shift in focus to performance and efficiency where public bureaucracies' authority and control has been decentralized and partnerships and the use of market mechanisms have developed. Kljin (2002, p.150) agrees and states that NPM is a "result of the reforms in government to contract out services and to downsize its policy and organizational infrastructure." Inherent in NPM is the existence of competition with the

private sector with regard to service delivery which has replaced the monopolies that government once had (Kernaghan, 2000).

Network governance

Achieving coordination has also been pursued through the strategy of network governance, which has been described as the use of informal social systems rather than bureaucratic structures, to coordinate services in uncertain environments (Provan and Kenis, 2007; Jones, Hesterly and Borgatti, 1997). Inherent in the theory of network governance is the notion of transaction costs that mingle with social systems instead of hierarchical structures. These social mechanisms include the use of continued communication and increased interaction in order to enhance commitment and cooperation across organizations (Jones, Hesterly and Borgatti, 1997).

From a functional point of view Dedeurwaerdere (2005, p.2) identifies that “the aim of network governance is to create a synergy between different sources of knowledge in order to deal with complex and interlinked problems.” The reasons that organizations join or form networks that Provan (2007) notes include the desire to serve clients more effectively, attract more resources, and address complex problems.

The challenge in network governance, as Edgar (2002, p.9) notes, is that network organizations that do not demonstrate credibility or organizational stability have a limited capacity to “exert effective influence.” Flexibility, interdependent relationships, and collaboration have been described as a way to mitigate this challenge (Edgar, 2002). Further, leadership and accountability structures assist organizations involved in network governance to “govern themselves” (Edgar, 2002, p.8).

Horizontal management

The increase in partnership arrangements necessitated an urgency for government actors to acquire new skills in collaboration and coordination (Pal, 2006). Bakvis and Juillet (2004) describe horizontal management as the coordination and management of a set of activities between two or more organizational units, where hierarchical controls do not exist, and where outcomes are mutually sought due to the inability of one unit to achieve the outcome in isolation.

The momentum of horizontal management within the public sector and the increased interest in its use to address both financial and service delivery challenges is evidenced in the emergence of reports that have been written on the topic.¹ Further, in government working groups are being formed across organizations to deal with issues that transcend vertical boundaries.² In addition, there is an increase in the use of roundtable discussion sessions to broaden organizations’ conceptual knowledge.³ All of these provide real-world examples of the success and limitations of the use of horizontal management.

¹ For example: Auditor General of Canada, 2000; Powers and Locke, 2006; Savoie, 2008.

² For example: Hopkins, Couture and Moore, 2001.

³ For example: Juillet, 2000; Fitzpatrick, 2000.

While it is agreed that horizontal management is effective due to its ability to mobilize both conceptual and financial resources, it is not meant to replace hierarchical structures (Bourgault and Lapierre, 2000; Hopkins et al, 2001). When horizontal management formulas run into difficulties, it is the hierarchical structure that provides support through funding, recognition, as well as professional or hierarchical authority (Sproule-Jones, 2000). Since vertical structures and sectoriality will always exist, horizontal management will be called upon to make organizational systems more coherent (Bourgault and Lapierre, 2000).

As a result, the use of horizontal management continues and along with it come the challenges of implementation, partnership arrangements and conflicting priorities. However, horizontal management has opportunities for success due to the need for effective and efficient coordination mechanisms across organizations, and the benefits of horizontality may far outweigh its potential limitations.

Rationale

Horizontality is required for a number of diverse reasons; one of these may include the desire of the public to view governments as efficient and accountable. There is also the will of policy makers initiating requirements whose associated expectations may increasingly facilitate the need for effective horizontal partnerships. In addition, today, managers of line departments, agencies, and ministry branches have begun to recognize the need for expanding networks in order to be able to deliver on political direction and the goals and objectives of government. There is an increased need to develop a broad range of horizontal arrangements in order to deliver public services effectively and efficiently.

Definition

Definitions for horizontal management have merged and evolved over time as its use has become more widespread and the need for it has escalated. Since the introduction of NPM, horizontal management has gained momentum and has changed the way government conducts business. The decentralization of service delivery and the implementation of market-like mechanisms have fostered a collaborative and coordinated approach, one that involves not only government players but private sector organizations as well.

Several themes from the literature can be used to summarize the core definitions of horizontal management as it is used in the public sector: organizational cooperation; interdepartmental collaboration; and cross-jurisdictional coordination. Throughout this review it is apparent that working together in teams to achieve a common goal requires the successful interplay of these important factors.

Manifestations of horizontal management

It is evident that horizontal formations will be used more often and may appear in a number of different forms, often taking shape as committees, working groups or teams dispersed across, at a minimum, two distinctly different groups or organizations. A major challenge in public administration is how to manage programs that are delivered by more than one

organization. This is often referred to as horizontal management, managing networks, or community governance in the literature (Sproule-Jones, 2000).

Bourgault and Lapierre (2000) argue that horizontality exists when members of one or several organizations address a question no longer based on individual responsibilities but on a wider approach aimed at including the interests and resources of other stakeholders. Horizontal management may take an unlimited number of forms such as organizations pooling information, analyses, and resources, or when they decide or act together to achieve a common goal (Bourgault and Lapierre, 2000). Bourgault and Lapierre (2000) feel that horizontal management varies from the traditional management approach since it no longer considers other members, stakeholders, or organizations as potential enemies but as partners in a common goal seeking a mutually rewarding outcome.

Horizontal management is constantly evolving and is witnessed as interdepartmental action, alliances, joint ventures, but especially partnerships. Horizontality is also being applied in the private sector in many ways through joint ventures, alliances, capital equity participation, array groups and project teams (Bourgault and Lapierre, 2000).

Essence and evolution

Traditionally the bureaucratic approach is used to identify obstacles and opponents. Powers et al (2006) have described the silo effect as government's standard way of working in departments organized by domains of interest. Savoie (2008) argues that the boundaries that are inherent in vertical organizations make promoting horizontality very difficult. Countering this belief, Mel Cappe, former Clerk of the Privy Council and the Secretary to the Cabinet, in a speech to the Association of Professional Executives of the Public Service of Canada (APEX) in 2001 stated that he believed that working horizontally means being able to work in teams and networks across organizational silos with the ability to think and act corporately.

The essence of horizontal management has been described as the challenge of "bringing diverse people together and lining up authorities in a complementary way to achieve a common purpose" (Hopkins et al, 2001, p.2). Bourgault and Lapierre (2000) note that in the past, when confronted with difficulties, organizations responded by trying to overcome these by modifying structures through reorganizations. New departments or branches would be developed; teams within the organization may have been modified; and even a restructuring of management would take place.

Elder (2004) agrees and believes that horizontal management has evolved due to a need to develop common approaches by creating committees, groups, and partnerships. Today horizontal management is an alternative approach to traditional vertical management and seeks to deliver efficient programs and provide effective service delivery to the public. Further, it provides organizations with positive, economic and constructive mechanisms to problem-solve complex issues that demand coordination.

Coordination

Sproule-Jones (2000) suggests that public administration theory recognizes that the management of programs across governments, departments and within the private sector requires coordination. It is understood that traditional management theory assumes that hierarchy is necessary for effective management and ultimately for coordination (Sproule-Jones, 2000). In line with traditional ideologies, McGuinness (2008) suggests that engagement both horizontally between unconnected jurisdictions, and vertically within a traditional hierarchy may result in coordination efficiencies.

Harrinvirta and Kekkonen (2004) assert that strengthening policy coordination in government to improve horizontal management can be achieved by improving the possibilities to manage and evaluate horizontal government actions; strengthening individual possibilities to participate in the collective work of the government; and by enhancing effective coordination mechanisms and networking relationships.

There are those authors like Ahdieh (2008), as McGuinness (2008) notes, who emphasize that multiple and overlapping regulatory systems create efficiencies and important focal points for solving coordination problems. Currently the development of partnerships between government agencies and the private sector is increasing. As these relationships continue to be more widespread a growing need is created for efficient coordination and effective networking between the government and the private sector.

Delivery mechanisms

Horizontal management seeks to promote policy coherence and to manage programs that are delivered by more than one organization (Sproule-Jones, 2000; Savoie, 2008). Hopkins et al (2001) define horizontal management as working collaboratively across organizational boundaries and argue that it occurs at every level in an organization. Further, Hopkins et al (2001) believe that it involves bringing people from diverse backgrounds together into teams with a common purpose and shared culture.

Upon review, it is clear that line departments and central agencies will continue to deliver programs and activities, and are at the forefront of providing public services. Savoie (2008) believes that these agencies are the corporate memory of the sectoral expertise available in government. Hopkins et al (2001) agree and contend that horizontal initiatives will require interdepartmental cooperation and will often involve provincial and municipal governments, non-governmental organizations, community groups and leaders, academics, and the international community.

There are multiple descriptions available that seek to provide a definition of horizontal management. It is abundantly clear that there is no universally agreed upon explanation or theory. Horizontality manifests in teams, partnership arrangements, and across organizational boundaries. There is evidence, however, to support the idea that there are key themes that are consistent and that reappear in the various definitions provided in the literature concerning horizontality. These key themes are the requirements for coordination and efficiency. How horizontal management is executed may take an unlimited number of forms but the evidence portrays that it is necessary and becoming intrinsic to the way in which government will continue to conduct business.

Why do we need horizontal management?

As previously discussed, horizontal management is being used by an increasing number of both public and private sector organizations. The ability to effectively and coherently deliver programs and services is required, and due to the current economic climate of today, workforce reductions, and pressures to be efficient, horizontal management is likely to be preferred as the method of delivering these requirements because of its ability to provide coordinated and efficient outcomes.

Vertical support

It is agreed that horizontal management is not a universal remedy to every problem experienced by organizations and it is not meant to replace vertical management (Bourgault and Lapierre, 2000; Hopkins et al, 2001). Structures are created to respond to a need and since all come with problems, horizontal management may allow members to compensate for the rigid structural approach found in vertical organizations.

Public service managers recognize that working across organizational boundaries is essential and that horizontal management is one way to get results (Hopkins et al, 2001). Bourgault and Lapierre (2000) contend that when horizontal management formulas run into difficulties, it is the hierarchical structure that is able to salvage the outcome of a weakened initiative through any number of avenues such as money, recognition, professional or hierarchical authority.

Hay (2005, p.6) discusses possible prescriptions for effective collaborative governance that may include “re-engaging the federal government in a leadership role, promoting the integration of policy at the provincial level, actively engaging the municipal level of government, and building capacity at the community level.”

Vertical linkages to a horizontal partnership are emphasized by Daft (2009) through a discussion of organization theory and design where it is presented that linkages to the vertical organization enables the coordination of activities between the top and bottom of an organization. The linkages may include having a hierarchical referral or chain of command that emphasizes reporting relationships, rules and plans, and vertical information systems such as periodic reporting (Daft, 2009).

Bardach (2005, p.33) counters that effective collaborative governance and horizontal partnerships may often be faced with significant challenges, due to the process of implementation being “acted out through large and inflexible administrative systems and distorted by bureaucratic interests.” Koppenjan, Kars and van der Voort (2009, p.770) agree and identify that the convergence of vertical politics and horizontal partnerships can be rife with problems and that “elected politicians in the vertical chain” may be unable to influence the activities and performance of horizontal processes. However, it is recognized that if the vertical structure tries to intervene and overpower the partnership arrangement, the development of collaboration and cooperation between partners will be effectively obstructed (Koppenjan, Kars and van der Voort, 2009).

The views on maintaining and enlisting enduring vertical support are mixed. While the necessity of the vertical structure cannot be diminished in government, it must also not hinder the progression of the horizontal initiative. Striking the precise balance between the vertical and the horizontal is an immense challenge, one which takes political skill and the accurate interplay of group maintenance and political accountability.

Efficiency

It is well known that citizens desire public sector collaboration that is efficient and that effective governance through teamwork and partnership, which can be sought through horizontal management to better serve citizens needs, should be the goal in policy making (Bradford et al, 2005; Hay, 2005; Bourgault and Lapierre, 2000). Powers et al (2006) agree that the goal of public servants should be the delivery of government services to better meet the needs of people and their communities.

Ahdieh (2008) argues that rather than presenting obstacles to effective regulation, overlapping regulatory systems create efficiencies and develop focal points for solving coordination problems. McGuinness (2008) agrees and has found that opportunities are available for members to participate in decision making results, both horizontally between unconnected groups, and vertically within a hierarchy. Through these alliances integrated approaches to resource allocation and reporting are determined and government is recognized as being more accountable to the public (Elder, 2004).

Powers et al (2006) believe that the coordination of initiatives and the integration of social and economic investments may result in further policy and program development. In addition, they have outlined a number of supplemental benefits from participating in horizontal initiatives which range from organizational strengths to flexible program delivery, and enhanced awareness among organizations of the goals, programs and initiatives of each other (Powers et al, 2006).

Pollitt (2003) and Savoie (2008) agree that horizontality will continue to be used to execute initiatives, and in turn many government officials are searching for processes and management principles in order to make horizontality work better because the political executive and citizens are asking for more effective solutions. Pollitt (2003) explains that public servants need to build mutual trust between different stakeholders, develop their networking skills and capacity for teamwork, and begin to build strategic alliances. Savoie (2008) believes that developing these competencies will require a significant change in culture that needs continual effort and support from the vertical organization in order to take root.

It is evident that when executed effectively horizontal management can improve government efficiency. If this improvement can be demonstrated, the public will recognize that the collaborative approach to the delivery of services, while unlike traditional mechanisms, is proactive in mitigating the continued increase in fiscal constraints, and that the inefficiencies of previous service delivery methods have been modified to better meet public need.

Financial resources

Bradford et al (2005) note that horizontal management is required when the scope of the problem to be confronted is no longer departmental; when information about what to do is scarce; and when limited coordination mechanisms that can channel the appropriate resources to the right target have been identified. In order to address, for example, current social, economic and environmental problems, shared expertise and experience will be required to achieve successful policy development (Hay, 2005).

Horizontal groups are often structured as a result of having limited financial resources (Harrinvirta and Kekkonen, 2004). Today, agencies are facing the challenge of being required to achieve more with less as economic restrictions place significant pressure on meeting individual departmental goals. Savoie (2008) has found that, consequently, public policy specialists are increasingly pursuing government-wide objectives by thinking beyond individual departments and seeking assistance from others.

Bourgault and Lapierre (2000) have discovered that through successful partnerships financial, technical, operational and political risks are significantly decreased and as a result there is increased access to knowledge and continuous learning through action. Hopkins et al (2001) have determined that the broad range of players involved and the limited capacity to go it alone makes horizontal management a necessity. It is thought that horizontality may lead to increased partnerships between the professional world, universities, civil society, federal, provincial, and local governments (Hay, 2005; Hopkins et al, 2001; Bourgault and Lapierre, 2000).

Increasingly financial constraints in the government and in the private sector may inevitably result in more widespread use and development of horizontal management throughout organizations. Making these new partnerships and networking relationships successful will require a number of factors above and beyond the financial needs that necessitated their development.

Making horizontal management work

While the benefits of horizontal management include increased resources, enhanced service delivery and further access to knowledge, there are several factors identified in the literature that are required in order for horizontal partnerships to work. These include collaborative group dynamics, continual group development, and measures to evaluate group success.

Group dynamics

Though Powers et al (2006) found that innovation develops in horizontal groups, Bourgault and Lapierre (2000) counter that if group dynamics are unstable they will require ongoing maintenance efforts which will play an important role in their success. Group maintenance is required when motivation decreases and the development of team members' work agendas raises concern. Team members' concerns and the resulting road blocks in any group or partnership arrangement must be discussed and worked through as soon as possible when they appear. If resentment festers and is allowed to persist this will have an effect on the core dynamics of the group and can cause the agenda of the group to shut down.

Trust and collaboration are imperative while managers of horizontal teams build credibility, invest in relationships and open dialogue in order to hold an initiative together. Bradford et al (2005), Hay (2005) and Maxwell (2004) agree that challenges are best mitigated through effective leadership, meaningful accountability systems, and the development of trust in working relationships. There is often no maximum number of members involved in a horizontal initiative but the more actors involved, the greater the possibility of encountering road blocks, personality conflicts, and individual goal seeking.

Bardach (2001) suggests that horizontal groups may be thought of as a collective enterprise and has coined the phrase interorganizational collaborative capacity (see Figure 1). Bardach (2001) proposes that even though members of horizontal groups act independently, they are also highly aware of the other people involved and are mentally keeping track of specific traits, personalities, and individual goals. However, as momentum begins, trust develops within the group and an initiative begins to attract supporters as a result of positive experiences being relayed through organizational networks.

Bardach (2001) has developed this idea further as shown below (Figure 1). In it the processes are occurring simultaneously from the bottom up in order to achieve the outcome of continuous learning which has been noted as a product of relationship building by group members as a result of maintaining networking opportunities.

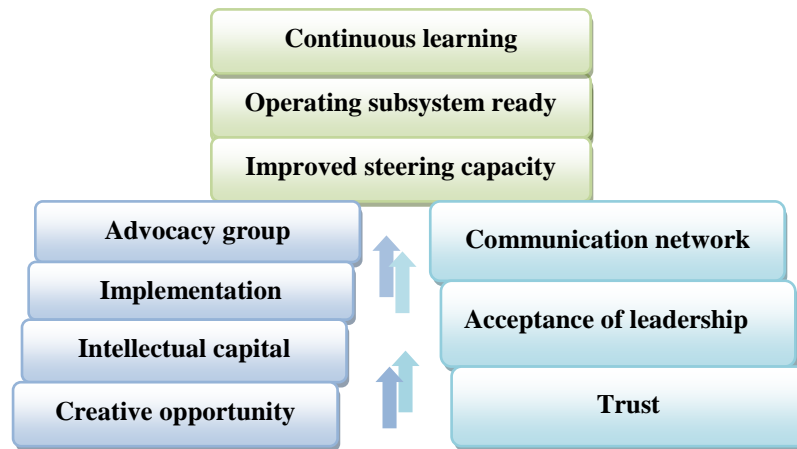


Figure 1. Interorganizational collaborative capacity framework (Bardach, 2001)

Bradford et al (2005) and Hay (2005) argue that in order to help create horizontal collaboration that appears seamless, relationships between governments and other members involved must provide for shared risks and joint investment. In partnership arrangements specific actions such as collating information and joint decision-making are required in order to achieve objectives, team priorities and goals (Bourgault and Lapierre, 2000). Joint decision-making allows the group to collectively define a problem and develop solution options together. Shared risks and joint investment tend to ensure a higher degree of collaboration as the outcomes are equally as important and the objectives to be met are considered collective.

Characteristics and requirements of group members

Members of horizontal projects must prove their capacity for team work, flexibility and be open to change. Bourgault and Lapierre (2000) stress that horizontal team members must have the ambition to aid others and should be aware of the impact that their actions and attitudes have on others within the group. Members must be willing to get involved, commit themselves to the work requirements of the group, and not focus on the individual benefit that can be gained but on the collaborative process and positive results.

While personal benefit is an inevitable outcome, it should not be the primary goal when entering into horizontal partnerships. If this occurs it can have a negative effect on morale and goal formulation at the outset will be challenging and not meet the objectives of partnering together. Departmentalism, as discussed by Bakvis and Juillet (2004), can often become an obstacle and hinder effective coordination. Rivalries between groups and tensions that cross organizational boundaries will need to be mitigated in order to achieve effective collaboration.

When assessing the validity of horizontal management, Savoie (2008) agrees that it is important to recognize and stress the impact individuals have on the process. The success or failure of a horizontal initiative is therefore highly dependent upon the attitudes, personality traits, and individual needs of the team members and should be monitored by the leader as group dynamics develop and the initiative moves forward. Further, he observes that while the machinery of government and the requirements of policy matter, so do the individuals involved (Savoie, 2008).

In essence, it is agreed that individuals play a significant role in horizontal success, yet it is also recognized that government requirements and policy processes will still impact the outcome of partnership arrangements and whether an initiative meets the goals and requirements that drove its initial inception and rationale in the beginning (Savoie, 2008; Bourgault and Lapierre, 2000).

Group development

In order to achieve group goals and objectives in a horizontal initiative a number of conditions should be established at the outset, such as reducing program rules and providing flexibility to be responsive to creative solutions; providing additional authority to the group; providing special funding to support initiatives; reviewing membership regularly to determine if the right members are included; and being inclusive, open and willing to change (Powers et al, 2006).

Hopkins et al (2001) observe that developing a shared framework helps to ensure that team members are working towards the same goals and assists in clarifying accountabilities. There is an emphasis that group members be regularly involved, updated, and responsible to the initiative. If the desire of participants to be involved in a horizontal initiative wanes, the outcome can be unsuccessful and not have a positive impact leading to eventual negative results. It should also be noted, that each member of the group have valid and fair responsibilities that match their skill set and abilities. Negative feelings about workload and reporting requirements will hinder the progress of a horizontal initiative.

The goals of what the group is trying to achieve must also be established by the entire team at the beginning of the initiative, and the leader will be central to creating these goals during group development. Quinn et al (2007) describe a competing values framework that leaders must perform should the leadership task be considered to be effective. To accomplish productivity a leader must focus on setting direction and encourage efficiency at the same time as facilitate the development of group members both individually and in teams (Quinn et al, 2007).

Quinn et al (2007) elaborate additional contrasts in this competing values framework which include a leader (or leadership team) being able to coordinate and monitor groups to ensure that members have the information they need to be productive and maintain momentum. While doing so they must also be innovative and have the ability to negotiate in order to develop and acquire further additional resources (Quinn et al, 2007).

While working within this framework and playing multiple roles, it is evident that a leader (or leadership team) must motivate members to create and agree upon a vision for the group. Direction and timelines will be required, and individual responsibilities must be established.

Voluntary involvement

Bourgault and Lapierre (2000) contend that horizontal management cannot be too formalized because it must adapt to various circumstances that may arise over the course of the initiative and it is essential that action is voluntary. There is a difficulty encountered with the notion of volunteerism in horizontal initiatives in today's public and private sector organizations. Moving forward the idealism of voluntary involvement in required partnership arrangements is unrealistic. With the current economic climate, both provincially and nationally, organizational structures and their needs and requirements are constantly and swiftly being revised.

The evolution of horizontal management is rapidly progressing in response to the significant pressures organizations are now facing. Executive direction will often simply state "get it done", and management, departments and branches need to find a way to implement specific directives. While the voluntary aspect of horizontal management will linger, it is becoming clear that these partnership arrangements, and the involvement in them, will be a requirement, leaving little room for participants to decline. As such, the literature needs to catch up with the practical demands of the modern age and environment of horizontality.

Measurements of success

Sharing leadership and responsibility, team building, linking cultures, and building trust have emerged as the most important identifiers of success when looking at the outcomes of horizontal initiatives (Powers et al, 2006; Bradford et al, 2005; Hay, 2005; Maxwell, 2004; Hopkins et al, 2001). Specifically, Hopkins et al (2001) stress that success demands leadership which is flexible and sensitive to changes in the mood of participants and of political circumstance; horizontal success demands an ongoing culture of trust, fortified by

shared commitment and understanding; and finally it demands roots in the interests, mandate and resources of home organizations.

Horizontal initiatives have a life cycle that makes timing crucial and it is important to identify clear targets for programs with identified measures of evaluation (Harrinvirta and Kekkonen, 2004). It is essential that important elements and support systems are provided, which Powers et al (2006) and Savoie (2008) believe include commitment, support and advice by executive and members' home organizations to the group goals and values; and the necessary structure, resources and operational funds to meet horizontal objectives.

Powers et al (2006) and Savoie (2008) have determined that horizontality requires continuous political commitment, targeted action, and clear objectives in order to be successful. Hopkins et al (2001) agree and stress the importance of maintaining contact with vertical structures in order to sustain accountability, authority and resources, and explains that continued reflection and adjustment are required to facilitate meeting established goals and maintaining momentum. Bardach (2001, p.156) stresses that momentum must be nurtured as it begins to build, and that when enthusiasm grows and the initiative looks like it will be successful, interest broadens and as a result resources increase due to "presumptive success."

Program evaluation

Program evaluation and the use of horizontal management may lead to increased use of evidence-based decision-making. Program evaluation is imperative and smart practices must be developed from evidence and historical records. A group must benefit from both the positive and negative outcomes that were experienced throughout the process in order to move forward with enhanced knowledge that will facilitate success in future partnerships.

Bardach (1998) notes that it is wise to look at historical examples to determine what has been used in other jurisdictions, agencies, or locales and elaborates that when reviewing examples, one must be open minded and evaluate previous information as it compares to one's own situation. Without program review and evaluation once a horizontal initiative has completed, key issues and significant learning opportunities will be missed. Both the success and seemingly negative outcomes of a program or an initiative will provide significant information for future use in program development.

Measuring success can be linked back to the logic that developed during group formation at the beginning. By evaluating immediate and long term goals and assessing program outputs once they are completed, significant opportunities exist to learn from the experience. Whether or not targets and key objectives were met, group members can evaluate the benefits and limitations that were encountered and use this evidence to inform future partnerships and horizontal relationships.

Accountability

In virtually every government program it is imperative that processes be open and transparent to enable public accountability. Originally, traditional vertical organizations

allowed accountability to be the responsibility of departments and as a result it would emerge in various forms. Increasingly public spending and service delivery, as well as program implementation, are under intensified public scrutiny as a result of the economic climate. Public accountability is significant when groups are endeavoring to execute horizontal initiatives successfully and should be reviewed and ensured throughout program development.

Accountability to the public

When looking at traditional accountability frameworks most are executed in a vertical fashion and they are based on the principle of Ministerial responsibility set within an established hierarchical structure of authority. As a result the accountability lies within departments and Bourgault and Lapierre (2000) found that accountability will emerge in numerous forms depending on project nature, object and organization. It can be done individually, through the organization, on a functional basis, politically, hierarchically and centrally (Bourgault and Lapierre, 2000). Accountabilities are created between partners and Hopkins et al (2001) believe that horizontal initiatives should have mechanisms in place to provide a degree of accountability more directly to the public.

Even though groups try to work horizontally, members are still required to remain vertically accountable. This requires that necessary outcomes be explicit and that the delivery and reporting of these be well-established and pre-determined. Though the desired outcomes – and how these are reported – may change, the initial planning must be in place so that group members are aware of their individual responsibilities and reporting requirements. Developing a concise record of designated accountabilities at the beginning can assist with ensuring regular reporting from each individual both to the group and to the home organization.

Individual accountability

Accountability when mixed with horizontality becomes challenging. Individual accountabilities to the home organization will remain inherent among group members and it is important that the initiative will benefit all involved. It will be essential to have these benefits outlined at the beginning when goals and desired outcomes are developed by team members. Savoie (2008, p.3) discusses the challenges involved with accountability by stating that “horizontality must always compete with activities that contribute to the mission and success of individual departments and agencies.”

Accountability to an initiative is often viewed as a significant obstacle to successful horizontal management (Juillet, 2000). Juillet (2000) has found that many individuals are cautious of being involved in, or instigating, horizontal initiatives because both individual and group accountability is ambiguous. Team members often feel that a common sense of purpose or the direction with respect to requirements, timelines and outputs is unclear. Hopkins et al (2001) stress the importance of clarity regarding mutual goals and results, roles and responsibilities, in order to promote effective accountability.

Ministerial accountability

One specific challenge in the public service to meeting program objectives, as Harrinvirta and Kekkonen (2004) discuss, is the fact that the program Minister who, in addition to his or her Ministerial portfolio, may carry the political responsibility of the horizontal program in question. Any horizontal initiative may falter and be unable to advance if team members are unable to report back the findings, objectives and outcomes of the group to the Minister responsible. In addition, as discussed by Elson, Struthers and Carlson (2007, p.6) “vertical accountability and the requirement for ministerial approval for expenditures to horizontal partners, means that co-ordination must also occur at the political level.”

As Smith (2006) remarks, Ministerial staff can have a significant influence on the development of public policy, which in turn has the potential to create public concerns about the question of accountability. The Government of Canada states that Ministers are to be accountable to Parliament which will demand constant attention to their duties and answering accurately regarding their areas of responsibility to Parliament (GOC, 2008). The challenge remains that Ministers are responsible for representing various interests and perspectives which become horizontal and cut across departments (GOC, 2008).

The Guide on Accountable Government for Ministers and Ministers of State written by the Government of Canada (2008, p.7) discusses these responsibilities:

The Minister must captain the portfolio in order to achieve good governance, coherent coordination of policy, legislation and programs, excellence in delivery of programs and services, and meaningful accountability to the public, through Parliament, for the activities of the full portfolio.

Sproule-Jones (2000) asks how public servants and Ministers can be truly responsible for the horizontal management of programs and observes that the challenge begins when the contribution of one unit cannot be disaggregated from the others, particularly when responsibilities are shared. Further, it can be difficult to achieve effective horizontality as Weller (2003) notes, when prime Ministers have the ability to determine how cabinet is run and exert their influence based on circumstances. There is also the discussion that rationalizes that Ministers are hesitant to become actively involved in subjects that are not directly aligned with their own portfolio (Weller, 2003). However, Weller (2003) ascertains that cabinet is a useful forum to maintain collective support; emphasize current issues and exchange information.

As noted previously, having the support of the home organization, and the responsible Minister is imperative. Thus, having recognized mechanisms in place to be accountable to the executive is a key factor for the success of horizontal initiatives. If the accountability to the Minister is in place, the Minister can therefore be accountable for the initiative within his or her portfolio to cabinet. Without accountability clearly outlined, the initiative may be doomed to failure from the start, and with it, loss of public credibility. This may result in adverse commentary in the media and eventually in the political arena of Parliament.

Central agency accountability

Central agencies⁴ work in the background with and through line departments to promote government wide objectives; this is accomplished with the provision of new funding to line departments, as well as by providing influential guidance on priorities and policies to the Prime Minister and to Cabinet (Dewar, 2009).

Line departments are audited by central agencies for effectiveness and efficiency in the delivery of public programs and services by implementing accountability frameworks and reporting requirements in order to ensure the public is served effectively and transparently (Marshall and Cashaback, 2001).

The federal accountability act (FAA) that was announced in April 2006 was meant to increase transparency and to help Canadians feel confident in the integrity of the democratic process (GOC, 2006). As Erkkilä (2004) discusses, public scrutiny and public debate are key elements in political and bureaucratic accountability and Erkkilä believes that there is no uniform way in which to organize accountability due to the questions surrounding government performance and deliberation. Performance debates focus on the blurred borders between public and private organizations, while debates on deliberation focus on structural changes to government as a result of NPM (Erkkilä, 2004).

Central agencies play a key role in the establishment of accountability in horizontal partnership arrangements. The Treasury Board of Canada indicates that partners from two or more organizations establish a formal funding agreement⁵ which identifies the contributions of each to work towards shared outcomes in a horizontal initiative (TBS, 2004). However, it is recognized that challenges to implementation occur as a result of the vertical nature of government accountability tools and that there is lack of structure to provide leadership on horizontal issues (Elson, Struthers and Carlson, 2007; TBS, 2004).

This has further been described as departmentalism which explains that members tend to maintain alliances and procedures that reflect the home organization rather than the initiative (Elson, Struthers and Carlson, 2007). Imperial (2002) identifies that there are significant differences in capacity and policy innovation that are a fundamental part of the changes that are occurring in the federal system. The challenge for practitioners is to find ways to improve governance through the use of “shared power where the capacity for solving policy problems is widely dispersed and few organizations have the power to accomplish their missions by acting alone” (Imperial, 2002, p.2).

While both central agencies and Ministerial accountability will continue to play a significant role in both the structure and development of horizontal programs, their importance should not begin to overshadow the rationale behind group development. Though these two figures will have the opportunity to assist in the progression of partnership arrangements or hinder them at the outset, support from these two entities is

⁴ These include the Privy Council Office, Finance Canada, Treasury Board Secretariat, Public Service Commission, and the Prime Minister’s Office.

⁵ Examples include a Memorandum to Cabinet, Treasury Board submission, and a federal-provincial agreement.

often crucial to horizontal success and should be recognized through accountability arrangements and reporting structures.

Accountability between public private partnerships

Private sector organizations are in general more focused on profit margins and the bottom line. As a result the accountability of individuals involved in private organizations is often directed to shareholders, senior management, board members, and eventually customers. Like government, private companies, while seeking profit, are still required to be accountable to the public and to their customers, though this accountability varies and is different from government accountability.

With the emergence of PPP many potential benefits have been discussed such as improved service delivery, cost-effectiveness, expediting capital projects, and improved budget certainty. Inevitably the question of accountability as a result of the suggested benefits would be in question. If risk is transferred to the private sector, as noted by the former Minister of Finance, Gary Collins, in a Cabinet meeting in May 2002, where does accountability lie if something goes wrong (Collins, 2003)? Hodge (2004) contends that due to the complexities and confidentiality requirements that are inherent in private contracts it makes public transparency and participation highly unlikely and limited, thus restricting accountability.

Inevitably it is government who must be accountable by protecting the public interest and endeavoring to maintain client satisfaction. Hodge (2004) notes that while PPP's may be able to provide reasonable pricing and delivery of services, there is the risk of devaluing public consideration. There is further risk in the possibility of legal challenges arising between private parties (Hodge, 2004). When using PPP's as the method of horizontal service delivery, it is imperative that the process be open and transparent in order to remain accountable to the public.

Leadership

Leadership plays a significant role in addressing the challenges encountered in horizontal partnership arrangements. If executed effectively, horizontal management can be the avenue to follow and the means to accomplishing unlimited goals and objectives both within the public and private sector. Many themes emerge through the discussion of leadership in horizontal partnerships but the most specific of these is the essence of shared responsibility and the qualities a leader should possess in order to be successful in horizontal arrangements.

Shared leadership

The quality of decision-making may be improved by sharing leadership in a horizontal initiative as it mitigates the challenge of reconciling individual accountability with a collective sense of purpose and responsibility (Hopkins et al, 2001). It has been recognized that addressing complex problems will "require multiple players to contribute both their

assets and their knowledge to develop multiple solutions” (Elson, Struthers, and Carlson, 2007, p.8).

Authors agree that the overall challenge to successful horizontal partnerships remains the ability to maintain momentum within the group as it can inevitably break down (Bourgault and Lapierre, 2000; Harrinvirta and Kekkonen, 2004). Team members participating in horizontal partnerships are most effectively mobilized into action by group leadership and this works best when leadership is shared, shifting from person to person depending on circumstances and personal strengths (Hopkins et al, 2001).

Elson, Struthers and Carlson (2007), through an international survey of government practices regarding horizontal tools and relationships, argue that successful horizontal partnership development requires deliberate processes to create collaborative relationships between diverse members. Relationships in horizontal arrangements are frequently complex as a result of policy and priority changes by the bureaucratic process (Elson, Struthers, and Carlson (2007). In order to offset these challenges, mutual trust and accountability should be developed and this can often be accomplished through effective shared leadership.

Leadership qualities

Successful horizontal leadership requires specific management qualities and skills such as the ability to be organized and strategic, with the capacity to develop positive and lasting working relationships with multiple members. A leader should have the ability to analyze the overall environment and learn from its evolution. The benefit of having political skill in order to help an initiative progress, both within one’s own department and across government, should not be underestimated.

Co-governance is another term used to describe leadership within horizontal management (Klijn and Koppenjan, 2004; Kooiman, 2003) and the essence is that managers can promote cooperation among members by arranging and facilitating interaction and mediation. Hopkins et al (2001) have determined that leaders of horizontal partnerships may have considerable influence and expertise and an innate sense for organizing work in complex models. Sproule-Jones (2000) and Hopkins et al (2001) believe that leaders should have the ability to identify sources of resistance and have the courage to act when consensus appears unattainable.

Leadership is fundamental to the success of horizontal management and may prove to be one of the most challenging experiences an individual may encounter during their career. However, it may also prove to be one of the most rewarding when success is achieved and positive networking relationships are nurtured and maintained.

Challenges and risks

While the benefits of horizontal management are numerous, the literature recognizes that there are challenges and risks that come with partnership arrangements with different organizations. These can range from incomplete structure formation, the emergence of difficult group dynamics, and limited vertical recognition. The extent of these challenges

and risks is wide-ranging and should be recognized when developing and implementing horizontal arrangements.

Structure and development

Sproule-Jones (2000) recognizes that while the difficulty of horizontal management is acknowledged, a universal theory that can explain and prescribe effective management remains unavailable and educating managers in the art of managing horizontally has not been fully determined. Horizontal management is a valuable tool but Hopkins et al (2001) remark that it is not relevant in all circumstances and that it comes with risks. These risks include minimal structure development that is unstable at the beginning of an initiative. Without clear goals and expectations at the outset group members may have a limited sense of direction or purpose and this will challenge the foundation of the partnership.

In order for an initiative to be sustainable, a solid and supportive structure must be in place to give the initiative form and purpose. A leader must be able to determine what amount of structure is required because without it commitment to the group and to the initiative may dissipate.

Bourgault and Lapierre (2000) and Powers et al (2006) agree that the lack of a horizontal management structure in government often hinders partnership efforts. Bakvis and Juillet (2004) have also noted that there is an assumption that interdepartmental coordination inevitably leads to better outcomes in the public service, however the methods and means to achieve success vary significantly.

Thus, a definitive theory that can prescribe how to effectively implement successful horizontal initiatives remains limited. While there have been achievements across government through partnership arrangements, there remains the lack of a seamlessly prescribed guide to success. Further, the deficiency of a clearly defined method of measuring and evaluating success may hinder the ability of leaders to implement successful horizontal initiatives both in the public and private sector.

Horizontality and federalism

Painter (1998) has stated that governments keep their distance when the situation suits them but also when there is a need for coordination. Further, Painter (1998) feels that federalism is characterized not by cooperative behavior but that it is adversarial and coercive, where cooperation is accomplished at arm's length. So what does this mean for horizontal management? At the very least it creates significant challenges for horizontal initiatives that seek the support of federal agencies. Decision-making authority and delayed approvals can be experienced as a result of cooperation executed at a distance.

Painter (1998) further warns that new forms of intergovernmental program management and policy making may pose a serious challenge to federal traditions of dual government. New horizontal relationships and coordinated service delivery may cause tension within the traditional forms of federal politics (Painter, 1998). However, Pal (2006) notes that the centre of government is placing increasing pressure on public servants to participate in horizontal activities. This is reflected in the desire of government to save money, improve service delivery, and to solicit increased citizen feedback (Pal, 2006).

Good (2003, p.43) reflects on a TBS report wherein the Clerk of the Privy Council challenges public servants to “pursue the elimination of impediments to improved service delivery such as turf protection and the fear of change.” The nature of interdepartmental rivalry and the need for turf protection has frequently been cited as a major obstacle which hinders effective coordination in horizontal initiatives (Bakvis and Juillet, 2004).

There is caution noted that too much devolution of authority beyond the federal government structure to the horizontal process has heightened risk factors (Good, 2003). These risks include administrative accountability, the role of Members of Parliament in horizontal initiatives, as well as the modes of service delivery and the balance of controls (Good, 2003).

There are instances where Ministers are crucial to moving horizontal initiatives forward but at times the actions of the political centre is more effective at hindering the progression and development of partnership arrangements (Bakvis and Juillet, 2004). This challenge is increased further due to the additional responsibility of central agencies in managing the coordination between not only line departments but also between Ministers.

As Bakvis and Juillet (2004) note central agencies need to not only coordinate and provide support to departments, but they also need to attend to the needs of Ministers and Ministerial committees. When political support for a given horizontal initiative is lacking, the difficulty of dealing with departments increases (Bakvis and Juillet, 2004).

The influence of federalism in the development, implementation and execution of horizontality is clear. It will continue to play a significant role with respect to resources, authority, and the eventual direction that these arrangements will take.

Historically, as Hay (2005) has discussed, the federal government will continue to persuade provincial governments that their role in coordinated policy delivery is important and necessary. It is obvious that as the need for horizontal arrangements continues, the interplay between these divergent forces will need to be determined and established at the outset. This will inevitably be important for members of horizontal partnerships to recognize and coalesce with the delivery of services today and into the future.

Horizontality and the vertical structure

It has been observed that horizontal groups are regularly not supported by the vertical structure (Bourgault and Lapierre, 2000; Powers et al, 2006). This is due in part to traditional organizations believing that as a result of engaging in partnership arrangements, the vertical structure will be viewed as unable to complete the initiative on its own without the assistance of others (Bourgault and Lapierre, 2000; Powers et al, 2006).

Working horizontally requires continued dialogue with the vertical structure that is the source of funding and authority because without vertical support, horizontal initiatives become vulnerable (Powers et al, 2006). It has also been noted that a lack of authority for team members to make decisions will play a significant role in the disintegration of the horizontal group. This will be observed in the breakdown of trust between members, or the

dynamics of the group being challenged as a result of the frustrations experienced due to delays in the decision-making process.

Another persistent challenge occurs when the group tries to approach the vertical organization. Due to the hierarchical structure of government, in many cases Powers et al (2006) found that committees still resort to approaching government through silos and that the traditional patterns of partnership and government relationships are still preferred by regions or outlying agencies. This may be a result of the limited information available that reveals the accomplishments of horizontal management and what has been achieved through successful partnerships by aligning organizations to implement initiatives. The ability to discuss outcomes with the vertical organization and make decisions specific to an initiative are required by team members and should be pre-determined by the vertical structure prior to becoming involved.

Further risks associated with horizontality include limited recognition of group success. No matter how minor success may appear, small achievements need to be recognized and shared in order to validate purpose and direction. Hopkins et al (2001) note that this can be as simple as linking costs to results where possible. Vertical recognition, as Bardach (2001) explains, helps to further success and the possibility of increased resources due to its recognition becomes more likely. In addition, vertical recognition assists in giving validation to the initiative and can have a positive effect on building team morale as a result.

Individual priorities

Organizations structure themselves based on their fields of preoccupation and in many cases the communication processes of those organizations will remain mostly vertical and hierarchical (Bourgault and Lapierre, 2000). The blending of personalities, divergent ministry personnel and the priorities they bring with them to the table may hinder the success of the group and limit the initiative moving forward. Savoie (2008, p.3) contends that line departments will naturally favor activities that will “contribute to departmental successes rather than contribute to a government-wide objective that will speak to the success of several departments.”

Members of horizontal initiatives may initially have conflicting perspectives, agendas, and understandings of why they are involved. However, as a result of their participation real opportunities and potential benefits for their organization may be identified. Group members must be aware that the environment will constantly evolve and be willing to adapt to change throughout the process by taking on shared responsibilities.

While individual needs will still often come into play within the dynamics of the group, it is instead a small building block to further inform the success of a partnership. Through the collaboration of group work the benefits of synergies are recognized. Issues that arise become part of the group think process and the diversity of the actors involved helps to replace competitions with complementarity (Bourgault and Lapierre, 2000).

Through horizontal management, the members of the group are now considered either short-term or long-term partners rather than potential enemies because those involved begin

to give priority to the needs and wants of the group rather than giving priority to individual recognition. A number of issues will reflect whether a newly formed partnership will be a short or long-term endeavor. These include the necessity of the relationships, the complexity of the issue, specific required goals and achievements, limited or extensive timeframes, adequate resources, and even potential future benefits to the individual or the organization.

The risks and benefits of horizontal management are diverse and range from financial to operational. Clear, understood, and recognized mutual goals will help groups to meet objectives and accomplish required outputs. Lacking clarity of purpose is one of the most significant hindrances to any horizontal initiative. The behavior of group members is another fundamental success factor because attitude and individual mood have a significant effect on the ability of the group to perform.

The blending of ideas from opposing viewpoints, priorities, and personal characteristics will challenge the success of team dynamics. Bourgault and Lapierre (2000) agree that given the inevitable diversity of team members, conflicts must be solved as they emerge in order to mitigate future disagreements. In order to reduce the risks involved as a result of challenging group dynamics, the confrontation energy from each involved group or organization can instead be enhanced through recognizing the synergies and complementarities of the group.

The interplay of group dynamics, individual silo mentality and direction, divergent ministry and stakeholder goals, fragmented communication, and limited, unmotivated leadership all play a role in the breakdown of horizontal success. As Savoie (2008) notes, if one agency appears or tries to exert influence over the whole team, or gives the appearance of trying to take over, this will give rise to conflicts.

There are inherent risks that often create significant barriers to the success of horizontal initiatives. Horizontal initiatives will encounter a number of road blocks as a result of the conflicting personalities and behaviors of team members who, in turn, pose significant challenges to the success of the joint venture. These conflicting dynamics may stall the momentum of an initiative as a result of resolute individuals consistently challenging decisions, team goals and requirements, and even individual responsibilities. Bourgault and Lapierre (2000) believe that to limit this, it is important for groups to clarify its rules of operation from the very beginning, or as soon as a problem appears. In this respect the management of the group is fundamentally important and these challenges must be recognized and resolved expeditiously and without rancor.

The challenges and risks discussed are not all encompassing and do not reflect all horizontal arrangements. The specific challenges and risks raised here have been noted to be apparent as horizontality develops and is used more frequently throughout both government and private sector organizations. As a result of this, it has been noted that by recognizing these challenges and addressing them early on in the process, successful outcomes will be feasible. Whether or not the challenges that horizontal partnerships face are minimal or severe, it is evident that early detection and strategies to diminish their

impact are important. In addition, the leadership of horizontal arrangements will play a significant role in mitigating these risks.

Outcomes

When a horizontal initiative has been completed there are a number of outputs that will have been accomplished. These outcomes will reflect both the success and limitations of the arrangement. A number of factors will determine what these outcomes will be, such as what parties were involved, group development, goal setting and overall reporting and accountability mechanisms. While horizontal outcomes will vary depending on the initial arrangement, they will be a reflection of the inputs of the group, vertical and public accountability, as well as leadership and overall group dedication.

Bourgault and Lapierre (2000) and Savoie (2008) discuss the view that horizontal management implies that the organization will ask who else has interests in it and then will try to associate that organization in an overall perspective. In response to this implication, organizational changes have been suggested, as well as merged structures and budgets, interdepartmental teams, shared objectives and policy arrangements, new accountability requirements and incentives, which includes shared performance targets (Ottawa, 2007; Savoie 2008).

By developing strategies that enhance this coordination and mutual goal setting, the merging of different groups will be facilitated more effectively. Results and targets will be realistic through the blending of resources, as well as through enhanced and various outlooks from the diversity of the players involved. Mutual interests in group outcomes will assist in the progress and development of these changes.

Strategies

Sproule-Jones (2000) emphasizes that there are a number of strategies that are frequently practiced in horizontal management such as creating personal levels of trust among partners so that they feel a level of personal commitment. As a result, the frequency of communications among partners increases the occurrence of mutual aid, which in turn helps to secure the reciprocal relationship (Sproule-Jones, 2000). Hopkins et al (2001) note that in the beginning a horizontal initiative may not have concrete objectives but it will have initial goals which will evolve as members develop relationships that cross organizational boundaries.

The boundaries that individuals first experience at the beginning of a horizontal partnership are often expanded beyond the home organization and broaden to encompass group requirements. More specifically, the relationships that develop as a result of working together are able to persist and have future long term effects. These effects include the benefit of an increased network of knowledge and resources that may be beneficial to individuals at another time and when involved in another horizontal initiative.

Hay (2005) has suggested that an integration of initiatives with other social, economic and community development programs will result in governments needing to adopt collaborative principles. This need to adapt will inevitably challenge the voluntary aspect

of joint ventures discussed above. How can government require horizontal partnerships and still attract volunteers? The difficulty remains that while horizontal management has significant rewarding outcomes, the voluntary aspect will inevitably diminish as governments call for partnerships in order to meet goals and objectives. Horizontal membership will increasingly be demanded as government faces budget constraints but is still required to deliver on government goals and mandates.

Horizontal management is not a universal remedy to every problem experienced by organizations and it cannot replace vertical management; it is simply a complement to the limits of vertical management. Individual responsibility and self-promotion will endure but horizontal management remains effective in many circumstances and implementing strategies to mitigate road blocks, conflicting agendas and individual goal seeking are imperative to achieve success.

Conclusion

Horizontal management occurs daily in government and private sector organizations in many different forms but the actors involved may not recognize it because it is completed habitually every day. As a result of limited resources, public servants are increasingly being called upon to develop a partnership approach to problem solving. Collaborating across ministries, across all levels of government, and with stakeholders has become one of the solutions to mitigate new challenges. Horizontality will continue to encounter resistance while the ideology matures and until successful evidence-based examples are evaluated and documented.

Various limitations on the perspectives of horizontality within government have been identified and the management style is still being promoted to see what is effective and will produce positive results. To succeed at implementing horizontal initiatives it is believed that government will have to be innovative and endeavor to achieve widespread support.

As horizontality matures it theoretically will help to simplify access to government programs and promote the integration of a wide range of services. As a result the ability to overcome complexities in jurisdiction and mandates among governments will be developed. Other purported benefits associated with horizontality include the reduction of redundancies and conflicts, sharing of costs and expertise, increased efficiency through synergies and analyses, and increased employee motivation.

Several themes emerged throughout the literature and there is agreement that one key driver is leadership that is influential and persuasive. Further, it is believed that managers of horizontal initiatives need to maintain contact with vertical structures for the sake of securing accountability, authority and resources. A successful horizontal initiative may have been an accumulation of difficulties and seemingly insurmountable challenges that lead to the outcome, therefore program evaluation and a review of smart practices are imperative to inform future horizontal arrangements.

Many partnerships will use horizontality to achieve objectives and will continue to refer back to vertical processes in order to reach their goals. The individual nature of group members will always be an inherent challenge but when managed effectively, the results

should be instructive and successful, with the knowledge gained able to be used to inform future initiatives. In the end, it is essential that horizontal groups value collaboration and trust among members. In addition, groups must remain accountable to the vertical organization, to the horizontal group, and especially, to the public.

V. METHODOLOGY

Project rationale

This project was written in order to answer how and why the use of horizontal management was used to develop and implement the JOP, and to describe the benefits and limitations of its use in practice through a single case study of the program. Through the use of a single case study of the JOP, anonymous web-based surveys, a review of the background that facilitated program development and an analysis of the findings from all this research, this project will add to and complement both the theoretical knowledge base on horizontality and further, the report will provide a practical guide to the MFR that can be used when implementing horizontal initiatives in the future.

Research methods

Information provided in this study has been collated from firsthand knowledge and involvement,⁶ background research, surveys, a theoretical review of horizontal management, and a single case study of the JOP.

Research methods used throughout the study include a review of the history of the forest sector's recent downturn and trends leading up to the decline during the current state of the economy. Research on the background of the national CDT Fund and the transfer of funds to the BC CDT were also reviewed. JOP development was discussed and a literature review on the theoretical perspective of horizontal management, new public management, and partnership arrangements in government was examined.

In addition, surveys were conducted through a confidential web-based format which was sent to previous recipients of JOP funding and to internal ministry employees and stakeholders involved at one point with the JOP, either through assisting recipients with approvals or developing project applications for funding. These surveys provided feedback regarding the execution of the program and whether the protocols in place were able to effectively and efficiently assist applicants and internal employees with the requirements of the program.

In-person interviewing was not used in order to avoid the threat of intimidation due to the researcher being the Manager of the JOP. Bias was avoided through the guarantee of confidentiality by anonymous web-based surveys being used to garner feedback from both internal and external persons involved with the JOP. In addition, information provided in the report is based on triangulated evidence and this information has been verified by the MFR, who is the client. Reliability of the information presented in this report can be confirmed and offered on a rigorous basis.

Comparative case analysis was not chosen in order to provide the MFR with a detailed single case study analysis of the JOP that conveys the depth of complexity involved with program implementation of a horizontal initiative. This single case focus has resulted in a report that provides the MFR with a detailed guide that can be used in the future when the

⁶ The researcher for this project has intimate knowledge of the JOP as a result of the being the program manager and from being involved with the program since inception.

need to implement another horizontal initiative arises. Obviously, the MFR will need to take into account circumstantial and specific environmental needs of any such future initiative, however, the broad learnings obtained from this report are considered to be ‘smart practices’ (see Bardach, 2005) which can be translated to other settings.

Analysis

Unit of analysis

The unit of analysis is the JOP, one of three programs developed out of the CDT Fund transferred from the federal government to the provincial government in trust in January 2008. The researcher wanted to analyze whether or not the use of horizontal management to develop, implement, and deliver the JOP supports both the benefits and/or the limitations described in the literature on the theory of horizontal management.

Quantitative analysis

Quantitative analysis was possible through analysis which included external recipients of program funding who completed a confidential web-based survey. External recipients included: First Nations (FN), not for profit organizations, for profit organizations, cooperatives, licensees, and contractors.

Feedback was solicited from recipients of JOP funding that reflected their overall satisfaction with the program and their primary mode of contact to have program related enquiries answered. The feedback was requested in order to evaluate whether the program was able to meet its objectives. This evaluation was based upon the perceptions of recipients of program funding who were meant to facilitate projects that would in turn help government meet its own objectives. Questions were intended to provide the researcher with a way to evaluate program success and whether the delivery of it was effective and met its pre-established goals.

Additional analysis was completed through a review of responses provided by internal cross-ministry employees and the third party administrator of program funding, who throughout the lifespan of the JOP were involved with the program, either on a continual basis or on only one occasion. These participants were invited to respond to a confidential web-based survey to provide feedback on the program. Internal employees included: employees from the MFR, Ministry of Tourism, Culture and the Arts, the Ministry of Environment, the MCD, the Ministry of Transportation and Infrastructure and third party administrator employees from PwC.

This feedback, in addition to external respondents comments, was intended to provide the researcher with a means to evaluate whether the program was viewed to have met its objectives, the methods in which internal staff related to the program went about having their questions answered, and whether or not the program was a good example of horizontality in government as based on the definition provided. It was anticipated that the responses garnered from the survey would provide the researcher with a collection of answers that could then be collated with the external responses to further inform the research.

Qualitative analysis

Qualitative analysis was accomplished through an exploratory review (non-exhaustive) of the literature available on horizontal management and through a single case study analysis of the JOP. The researcher sought to undertake a qualitative approach through the collection of facts, data, and through personal historical involvement and observations that reflected association with the development, implementation, and delivery of the JOP since its inception in 2008.

Through the use of the case study approach the researcher was able to question the use of horizontal management to deliver a provincial program recognizing that the conclusions drawn may be specific to the organization studied and may not be able to be generalized.

Surveys

Survey rationale

The surveys⁷ provided each external recipient and internal employees who had previous involvement with the JOP the opportunity to provide confidential feedback concerning the JOP experience with the intent of further informing future horizontal provincial programs. The experiences and unique perspective of each respondent provided an opportunity to review multiple viewpoints of the same program structure and allowed intimate detail to be shared without identification or the intimidation of retribution. Triangulation was used by collecting data from a variety of sources in order to avoid bias.

The reason for choosing a confidential web-based survey was to enable respondents the ability to answer at a time that was convenient, in an anonymous fashion, with the opportunity to provide feedback above and beyond the multiple choice answers provided. An additional reason was that the survey provided access to information that would otherwise not be available regarding the program. It has been found through a review of the survey answers that both internal and external respondents appreciated the opportunity to provide opinions, facts, and suggestions for future program improvement. This has proven to be an additional benefit of the research.

Survey participants

A total of 55 recipients of program funding and 34 internal employees were invited to participate in the survey. The survey could be completed in as short a time as 10 minutes up to as long as a respondent wanted to take to provide feedback through the comment feature provided. Participants were invited through email, which provided an invitation to participate, a summary of the research question and rationale for the project, and an implied consent form.

Survey anonymity

⁷ Copies of the survey questions for the participants are available for review in Appendix A.

Each survey response was submitted through a confidential web-based program at the discretion and comfort of each respondent. Respondents were not able to remove their responses from the survey once they had been submitted electronically. The use of anonymous non-identifying questions and web-based technology protected the respondents from being identified and thus made the need to remove the information unnecessary. The study involved no deception and presented minimal risk to participants as a result of the confidentiality and anonymity clause.

Survey questions

Survey questions for recipients of program funding were related to the application process, eligibility criteria, and their methods of obtaining information regarding the program requirements and their methods for having questions answered. Survey questions for internal employees were relatively similar but had the inclusion of a question being asked about horizontal management and if the JOP was a good example of this. Both set of participants were asked to provide opinions and supplemental information if they wished. The surveys were intended to solicit positive and constructive feedback on program development, implementation, and execution.

Survey analysis

An analysis of two surveys was completed. The surveys included questions related to the following subject areas: the application process; website navigation; eligibility; communications; changes and recommendations; and additional comments that were provided by respondents.

Survey limitations

The surveys were applicable to two survey groups which included external funding recipients with completed projects from year one of the program, and internal employees involved at one point with the JOP over the course of the three year term of the program.

The surveys had limitations which included the following:

- External recipients of program funding were asked to comment on year one of the program, while internal employees were able to respond on the full three year term of the program. This was a result of internal employees being involved with the JOP either since implementation, or at one point or another over the course of the three year term. External respondents were responding only on year one of the program as a result of these being the target group that had previously completed projects for year one of the JOP.

The rationale for not inviting year two recipients to participate in the survey is due to the fact that these recipients were still involved with the projects that they had been approved for and had not yet completed projects funded through year two. Year three recipients had not yet been determined at the time of writing and collating of the research and therefore could not be approached for feedback.

- Survey design provided respondents with the opportunity to provide personal commentary for each of the questions listed. This made collating of the responses challenging as a result of respondents' own personal reflections, which could either be related or not related to the specific questions asked, the difficulty of determining percentages, and the potential of bias.
- The public private partnership aspect was not explored through the survey. PricewaterhouseCoopers (PwC) had been involved with the program since implementation, and would have been in contact with recipients of program funding. This aspect may have been explored through the survey to external respondents to further inform program processes and potential communication gaps, as well as perceptions on program delivery.

Despite these limitations the information provided in the surveys has supplemented the report with a triangulation of sources which has limited the potential of bias, complemented the theoretical knowledge with practical knowledge and provided the client with anonymous public feedback regarding the JOP that would otherwise not be available.

This information provides the MFR with pertinent information regarding a government program that was developed and managed horizontally which will further inform the implementation of future horizontal programs in BC. In addition, the limitations of this report's methodology can be further addressed in the future and this facet of program evaluation will be developed in the recommendations to the client in Section X.

Ethical approval

The project received ethical approval from the Research Ethics Board at the University of Victoria on February 2, 2010. There was a guarantee of confidentiality for survey respondents. Each potential participant was provided with an invitation to participate which detailed the project's rationale, and an implied consent form which detailed what the information was going to be used for and the anonymity of providing input to the researcher.

VI. CASE STUDY BACKGROUND

Forest Industry

This section details the context and the relationship between the JOP, CDT and the forest industry. A clear appreciation of how these elements fit together is necessary for the carriage of the research and to conceptualize the various policies associated with the horizontal management initiative under review.

The interplay between these three factors can be seen in Figure 2 below.

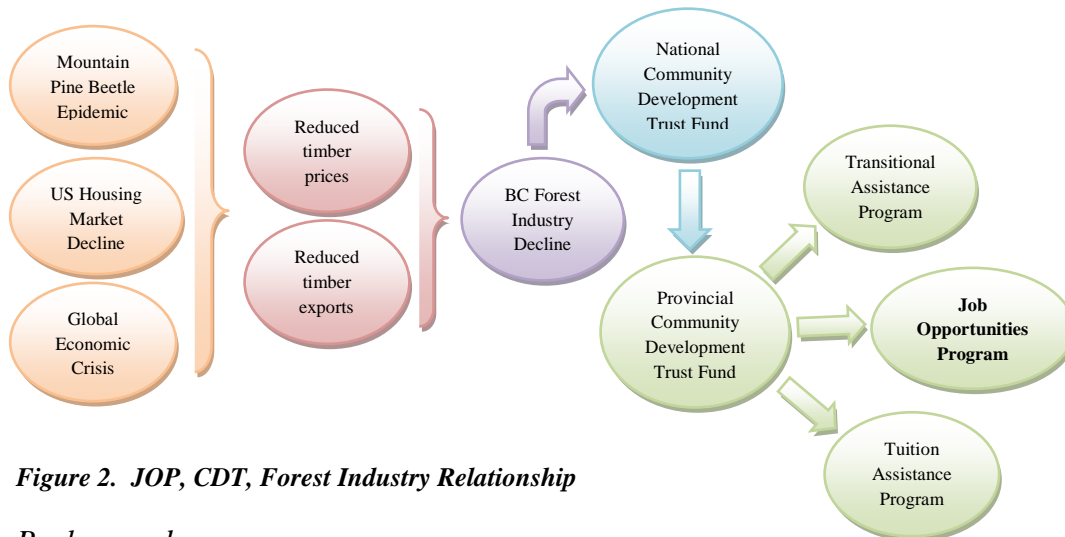


Figure 2. JOP, CDT, Forest Industry Relationship

Background

The Canadian forest industry is an important provider of employment opportunities nationwide and plays a central role in BC's economy. The forest industry has struggled through difficult times over the past few years due to an increase in competitors and shrinking profit margins (NRCAN, 2009). Across Canada processing facilities have shut down and market pressures and trade disputes have significantly reduced employment in the timber-based industries (NRCAN, 2009; MFR, 2006). The resulting industry downturn has drastically changed the social and economic makeup of many rural communities throughout the province. Work related to the industry has often been the main source of income and these communities are vulnerable to downturns in timber product markets (CCFM, 2009).

Forest economy

Canada is the world's largest exporter of forest products, contributing more than \$20 billion to Canada's balance of trade in 2008. The country's forest industry contributed 1.9% of the national gross domestic product (GDP) in 2008 and directly employed more than 270,000 people (CCFM, 2009). Two-thirds of BC is covered by forests which makes sustainable forest management a focus for industry and the population (NRCAN, 2004). The forest industry represented 4.8% of the province's total GDP in 2008, down from 6.8% in 2007 and directly supported 64,900 jobs in over 100 communities in 2008, down 23% from 2007

(MFR, 2009). Many BC interior communities are heavily dependent on the forest sector and in 2004 up to 40% or more of after tax revenues were directly derived from forestry (MacKendrick and Parkins, 2005; NRCAN, 2004).

Since 1950, the dynamics of BC's forest ecosystems have changed with increasing wildfire suppression, timber harvests and climate change. These changes reduce ecosystem stability and resilience, and disrupt future economic activity. Timber-based industries averaged about 80% of forest-based jobs from 1987 onward and with the mechanization in sawmills in the early 1980s and modernization in the late 1990s, there have been significant pulp and paper mill closures (MFR, 2006). Nearly four dozen mills have closed permanently or indefinitely in BC since 2007, impacting about 10,000 mill workers (MFR, 2009). Resource-dependent communities are being forced to adapt to change as the forest industry restructures to address the reduced timber supply.

BC's forests and rangelands provide a wide range of forest products and services. Timber products account for about half of BC's total exports and about half of Canada's softwood lumber products (NRCAN, 2009; MFR, 2006). The primary export market for these wood products is the U.S. and recently Asian nations have replaced Europe as the second major market. With its reliance on export markets, BC's timber based industries are susceptible to changes in international competition, trade restrictions and currency exchange rates (NRCAN, 2009; MFR, 2006). With the struggling economy of the U.S. Canadian export volumes have significantly reduced. As a result, the search for new market opportunities has become more imperative than ever and Canada has been working to expand its markets beyond the U.S.

Ecological disturbances

Forests are constantly exposed to natural disturbances such as fire, insects and diseases. Human activities such as logging, road construction, oil and gas ventures have also had an impact on the land base (MFR, 2006). The reality is that to a large extent most of Canada's forests, including those in BC, are well established and this inventory has a significant vulnerability to forest pests (NRCAN, 2004).

Most recently the forest industry has been impacted by other compounding factors such as the soft U.S. housing market, which decreased demand for Canadian wood products and reduced wood product prices (MFR, 2009) and the global economic recession which has decreased demand for Canadian wood, pulp and paper products. In addition, the mountain pine beetle (MPB) epidemic and the rise in the Canadian dollar have all had an effect on industry viability (NRCAN, 2008; MFR, 2006).

The MPB is a common forest insect that is part of the natural ecosystem in western Canadian pine forests (Patriquin et al, 2005). The relatively mild weather in recent years and the abundant lodgepole pine forest stands have provided optimal conditions for the increased epidemic and spread of the beetle population (NRCAN, 2008; NRCAN, 2004). This larger population is able to overcome the resistance of larger pine trees using their mass-attack behavior, and thereby produces significantly higher numbers of offspring in these trees (NRCAN, 2003). This natural disturbance has drastically influenced the forest

landscape and has severely impacted the available timber supply that supports many communities in B.C (NRCAN, 2004).

In response to a provincial request in October 2002 the federal government announced the MPB Initiative that was included within a suite of federal programs targeted at the forest sector (NRCAN, 2004). In 2004 the BC Ministry of Forests estimated that the beetle infestation had spread over an area of 4.2 million hectares (more than double the 2002 area) and this estimate did not include the large beetle flight in 2003 (NRCAN, 2004).

From 1998 through 2008, the MPB killed an estimated 620 million cubic metres of pine in BC, almost half (46%) of the province's marketable pine (MFR, 2009). It is estimated that by 2019, those losses are expected to amount to 71% (CCFM, 2009). Further research indicates if the epidemic continues to spread eastward, Alberta's lodgepole pine forests will similarly be destroyed and the remainder of Canada's pine forest will be exposed to a similar magnitude of destruction (Patriquin et al, 2005). The current beetle infestation is the largest outbreak in recorded history and is having a sharp impact on BC's forest-dependent economies (MacKendrick and Parkins, 2005).

Moving forward

The forest industry plays a vital role in the balance and diversity of BC's economy and forest-dependent communities continue to view the forest industry as an integral part of their future as they begin to diversify. The effects of the downturn impacts market segments and geographic areas differently. In some areas it is anticipated that the industry will recover and that maintaining skilled labor is essential. In other areas the forest sector is diversifying to a broader range of products, and skilled labor and entrepreneurs in the community will always be needed. With the cyclical nature of the industry, maintaining a skilled workforce in these communities is vital for the time when forestry rebounds and export markets improve.

It is recognized that the current economic situation in the forest industry has declined, however economists believe that the long-term prospects are positive, as the world economy is expected to improve. Throughout the downturn it is believed that innovation will assist in increasing Canada's competitiveness in the resource market. Transformation will occur by increasing knowledge on products and technologies, discovering new approaches to research and development and by seeking to penetrate new markets (NRCAN, 2008; MFR, 2006).

Community Development Trust (CDT) Fund – Consultation and Formation

Background

The Government of Canada announced the \$1 billion CDT Fund in January 2008. The fund was created to assist:

- i) industry communities facing major downturns;
- ii) communities experiencing persistent high unemployment; or
- iii) regions hit by layoffs across a range of sectors.

The national initiative was developed in order to support provincial and territorial efforts as they tried to rebuild local communities affected by declining industry markets as a result of international economic volatility. The three-year CDT was funded out of the federal 2007-2008 budgetary surplus. Each province was allocated a base amount of \$10 million and each territory \$3 million, with the balance of the fund to be allocated on a per capita basis.

Provincial announcement

On March 11, 2008 Premier Gordon Campbell and Prime Minister Stephen Harper announced the federal-provincial \$129 million CDT which established new federal funding to assist workers and communities in the ailing forest industry in BC. Funding was mutually agreed upon within parameters particular to each province or territory in order for leaders to address specific difficulties facing different communities across Canada. The Minister that was responsible for Economic Development was given Ministerial responsibility over the CDT fund, with the Ministry of Labor and Citizens' Services (MLCS) having the lead role in coordination between ministries involved and overall reporting of the program.

Priorities

In keeping with the agreement between the federal and provincial governments, high level principles and consistency with the Canada-United States Softwood Lumber Agreement, the \$129 million was aimed at supporting impacted BC forest workers in the following priority areas over three years:⁸

- Transitional assistance for older and more senior forest workers and those who had been laid off in order to provide more opportunities for junior forest workers;
- Tuition assistance of up to one year for permanently or temporarily laid off forest workers who wished to diversify or upgrade their skills, knowledge, education, and training; and
- Job opportunities (JOP) to provide short-term employment for forest workers in forest-dependent communities which had been impacted by the downturn.

Principles

The CDT principles were developed and approved by Cabinet and outlined the requirements for the three programs that were to be met during program development and implementation. These included the following required principles:

- Program design and details must be consistent with all international trade treaties;
- Program is to be focused on workers directly employed in the forest industry;⁹

⁸ Year one – 2008/09; Year two – 2009/10; Year three – 2010/11.

⁹ Throughout the consultation process with stakeholders, the importance of CDT principles was used to determine the definition of a forest worker: *A British Columbia resident whose primary occupation has been working in the BC forest industry in harvesting, hauling or manufacturing wood fibre.* The definition includes independent owner/operators, but not owners, officers, or directors who have employees, contractors, or sub contractors that work for them. Eligibility must be strictly met in order for workers to qualify for the

- Program intent is to provide options to affected employees while preserving or improving workforce characteristics of the forest industry;
- Program does not displace any employer obligations and it is not a substitute for any existing program; and
- Program must be developed and delivery begun as quickly as possible.

Consultation

Through consultation with stakeholders, union representatives, employers and associations MCLS developed a working group of representatives from the forest industry to assist in the design of the transitional assistance program and to solicit input regarding the needs of forest workers in the province.¹⁰ Significant comments were provided and general support for the programs was given from labor and industry stakeholders.

Input from forest industry representatives was critical to the development of program eligibility requirements and application processes. Through further consultation with the Union of British Columbia Municipalities (UBCM) additional recommendations were provided on how best to approach, communicate and involve targeted impacted communities.¹¹ The outcome and information discovered from consultation helped to inform the overall development of all three CDT programs and was fundamental to the implementation of the JOP. Today, the Ministry of Community and Rural Development (MCD) holds the overall responsibility for the operations and administration of the three programs contained within the CDT.

Job Opportunities Program (JOP) – Development and Implementation

This section describes the JOP from the implementation of year one in May 2008 up to its restructuring in January 2010 for the third and final year of funding. Program delivery, goals, principles and objectives are described as well as providing an elaboration on eligibility, the submission process, and project funding requirements.

The following logic model depicts the flow of activities that occurred in the JOP that were required by the MFR in order to produce the desired results for forest-dependent communities in BC.

			<i>Outcomes</i>		
<i>Inputs</i>	<i>Activities</i>	<i>Outputs</i>	<i>Initial</i>	<i>Intermediate</i>	<i>Long-term</i>
Federal funding	<ul style="list-style-type: none"> • To fund projects 	# of projects funded # of forest workers employed	Increased funding to impacted forest-dependent communities in BC	Increased forest workers skills	Increased forest worker retention in forest-dependent communities

transition and tuition assistance programs. The JOP provided more latitude with respect to worker eligibility which is expanded upon in Section VI.

¹⁰ Refer to appendix B for a list of stakeholder groups consulted.

¹¹ All BC communities were notified of the JOP 2008/2009 funding window via the UBCM and were directed to the CDT program website for further information regarding submitting an Expression of Interest.

MFR, MCD, PwC staff	<ul style="list-style-type: none"> To select projects 	# of projects selected	Increased short-term employment for unemployed forest workers	Increased benefit to forest-dependent communities through project work activities	Increased economic benefit to forest-dependent communities
News releases	<ul style="list-style-type: none"> To notify the public of approved projects 	# of projects announced	Increased public knowledge and awareness of program funding to forest-dependent communities	Increased public accountability to program funding	Ongoing public awareness of program funding to forest-dependent communities

Figure 3. JOP Logic Model

Program delivery

The JOP was initially delivered through the MFR for the first two years of the program, with the third year being transferred over to the MCD. This transfer of responsibility occurred as a result of a number of facilitating factors that will be discussed in Section VII through the case study.

At the outset, final funding approvals for JOP projects were made collectively by the Ministers responsible for Forests and Range, Economic Development, and Community Services. As a result of the Cabinet shuffle that took place in 2008, the responsible ministries involved in the program were reduced. The MFR and newly named MCD became the two lead agencies responsible for approving final JOP project funding.

In order to best implement approved projects throughout the province a third party administrator, PwC, was utilized through an existing Forest Investment Account (FIA)¹² contract. PwC was responsible for entering into a recipient agreement with successful proponents in order to oversee cash advances and payments, project completion to standards, data reporting, and performance and financial auditing of approved projects. In year one of the JOP PwC carried out the initial screening process for Expressions of Interest to complete eligible projects in eligible communities. This process was revised in year two of the program and will be discussed in the Section VII.

Program goal

The goal of the JOP is to address the immediate impact of forest sector decline and to support community sustainability until the forest sector rebounds. Initially JOP funding was meant to support silviculture, reforestation, and other forestry programs in order to provide short-term employment opportunities. Tree planting, managing urban forests and restoring forest and range lands impacted by the mountain pine beetle infestation or wildfires in areas not commercially harvested, were specific work activities to which program funding could be dedicated through the project approval process.

¹² The purpose of the Forest Investment Account (FIA) is to assist government to develop a globally recognized, sustainably managed forest industry. Administered by government or government agents, FIA programs provide funding to forest sector associations, researchers, tenure holders, manufacturers, and government agencies to support sustainable forest management practices; improve the public forest asset base; and promote greater returns from the utilization of public timber. Further information may be found here: <http://www.for.gov.bc.ca/hcp/fia/>.

Program objectives and principles

The design of the JOP was developed within the following Cabinet approved objectives and principles:

- Reduce impacts of current lay-offs on workers directly employed in the forest industry;
- Retain skilled forest workers for a future upturn in the industry;
- Strengthen the labor force in forest-dependent communities;
- Be consistent with provincial obligations, including the Softwood Lumber Agreement;
- Eligible unemployed forest workers are to have the right of first refusal to job opportunities created through the JOP; and
- Forest workers are to be paid at rates appropriate to the skills and qualifications required by the work.

These objectives and principles have been in place since implementation in year one and have remained consistent throughout the three year term of the program.

Program funding

The initial allocation of funds to the JOP from the total \$129 million was \$26.25 million to be spent over three years. In years one and two respectively 40% of the funds were to be spent, with the remaining 20% to be spent in year three of the program. Of this funding \$2 million was allocated to each of the communities of Mackenzie and Fort St. James in the first year of the JOP. Based on the high forest income dependency and the significant job loss in these communities,¹³ staff from the former Ministry of Economic Development worked directly with local government staff to identify job opportunities that would assist impacted forest workers.

In 2009 the province allocated an additional \$30 million to be dedicated to the JOP. These funds leveraged an additional \$30 million from the federal government through the Community Adjustment Fund announced in the 2009 federal budget. Funding is provided on a project by project basis with JOP monies averaging about 35% of the project total while the federal portion equals approximately 65%.

While the funding has been able to support additional projects that have assisted a higher number of impacted communities and workers, there has been a significant increase in both the financial and program reporting requirements from the provincial government to the federal government.

Eligible applicants

¹³ In 2008 forest dependency was 72% in Mackenzie and forest sector employment lost was 43.6%; in Fort St. James forest sector dependency was 49% and forest sector employment lost was 32.5%. In 2009 Mackenzie had increased to 73% forest dependency and 53% employment lost; Fort St. James had increased in dependency to 50% but had decreased to 24.5% in employment lost.

The following applicants are eligible to apply for program funding throughout the three year term of the program:

- Forest-dependent communities;
- Licensees and contractors working in cooperation with a forest-dependent community;
- Organizations able to comply with WorkSafeBC¹⁴ requirements working in cooperation with a forest-dependent community.

Eligible applicants have ranged from For Profit and Non-Profit organizations, First Nations (FN) Bands, to Local Governments and Forest Contractors. The eligibility criteria put in place was intentionally broad and was projected to encompass a wide range of potential applicants.

Eligible workers

Specific eligibility criteria were established at the outset for the three programs. The specifics of eligibility were steadfast when workers were applying to the transition and tuition assistance program.¹⁵ Specifically workers must meet the following:

- Laid off after May 1, 2007;
- 65% or more of income must have been derived from the forest industry in two of the past three years;
- Lay off must not have been voluntary;
- Workers must have been employed directly in the forest industry.

The JOP provided some latitude with respect to eligible workers that could be hired on JOP funded projects. While the essence of the eligibility was the same, meeting all requirements was not definitive. This enabled a greater range of affected workers to be able to participate in short-term employment opportunities in impacted communities. Further, year two of the program saw an expanded definition to include resource¹⁶ workers as a result of the Community Adjustment Funding provided by the federal government. This facet of the program will be expanded upon in Section VII.

Eligible work activities

Since program implementation eligible activities that play a significant role in the JOP and its success at maintaining community stability and perseverance have included silviculture

¹⁴ WorkSafeBC is dedicated to promoting workplace health and safety for the workers and employers of BC. They consult with and educate employers and workers and monitor compliance with the Occupational Health and Safety Regulation. In the event of work-related injuries or diseases, WorkSafeBC works with the affected parties to provide return-to-work rehabilitation, compensation, health care benefits, and a range of other services. For additional information please see: <http://www.worksafebc.com/default.asp>.

¹⁵ See appendix C for eligibility criteria in place for the transition and tuition assistance programs. See Appendix D for eligibility criteria in place for the JOP.

¹⁶ Resource workers now included mining, agriculture, manufacturing and other resource industry related work activities. This in essence allowed the CAF monies to reach a broader range of affected workers, as per the 2009 federal budget requirements, in order to meet government goals.

treatments, fuel management, recreation site and trail maintenance, and other forest health activities. These activities are described briefly below:

- *Silviculture treatments* contribute to a sustainable timber supply and provide a way for residents to help manage the forest that surround their communities for water, fish, wildlife and recreation values.
- *Fuel management* activities reduce the risk of fire in the forests surrounding a community and mitigate fire hazards along roadways, in parks and other areas frequented by visitors.
- *Forest health* activities have included invasive plant species management to strengthen rangeland production, and hazard tree falling to mitigate danger trees in communities resulting from the mountain pine and Douglas fir beetle epidemics.
- *Recreation site and trail maintenance* has included completion of a number of the preceding activities in order to improve safety in high frequented areas and to develop additional tourism opportunities.

Projects have generally fit within the abovementioned eligibility with over 60% of program funding approved to date being allocated to recreation site and trail maintenance activities. Other work activities have been approved on a project by project basis through an evaluation of specific selection criteria which is elaborated upon in the following section.

Selection criteria

The development of selection criteria was required in order to assess projects for funding and these are based on aspects related to the eligibility of the community ranked on forest dependence, viability of the project and the number of eligible workers involved. The specific criteria that were developed are as follows:

- Description of and dependency of the community on the forest sector;
- Magnitude, type and anticipated duration of layoffs;
- Size, duration, location, and type of work activities;
- Relevance of proposed activities to forestry and forest values;
- Benefits to the community, including social, economic, biophysical and cultural;
- Regional distribution of funding and equity;
- The number or proportion and type of unemployed forest workers involved;
- Linkage to any existing, related programs and/or projects; and
- Contribution of matching dollars/resources and/or synergies with related programs/projects.

Applicants are required to provide the information noted above through the submission process to enable program staff to evaluate project applications and to allocate funding to projects that best meet these specific criteria. The selection criteria have been in place since year one and have remained unchanged throughout the three year term of the program. These criteria reflect the requirements indicated by Cabinet at the outset and have enabled program staff to execute efficient fact-based reviews of submitted projects which has facilitated reasonable funding distribution and regional equity throughout the province.

Current program status

The JOP has most recently completed its final round of program funding. A funding intake window opened up from December 11, 2009 to January 22, 2010. Projects were reviewed based on the selection criteria described in the preceding section. There were over 540 project applications submitted, with 400 of these being received in the final week.

Senior program managers have noted that the JOP is one of the only available funding programs offered to assist hard hit communities in 2010. As a result the program was oversubscribed and funding decisions had to be made by priority dedicated to those applications that most accurately fit the selection criteria. Further evaluation of the three year term of the JOP will be covered in Section VII.

VII. CASE STUDY

This section of the report provides a comprehensive linear outline of the JOP case study with a view to determining answers to the research questions underlying this report. Subsequently through the case study, evidence of horizontal management will be presented but will undergo further analysis in Section IX. The progression of the three year term of the JOP will be developed through the case study with information provided to describe the development, implementation, and execution of program delivery to the province.

A representation of the players involved in the CDT and the JOP is shown below in Figure 4. This graphic depiction of the JOP and its relationship to the CDT is important in order to provide an understanding of the dynamics and synergies involved with program development and implementation.

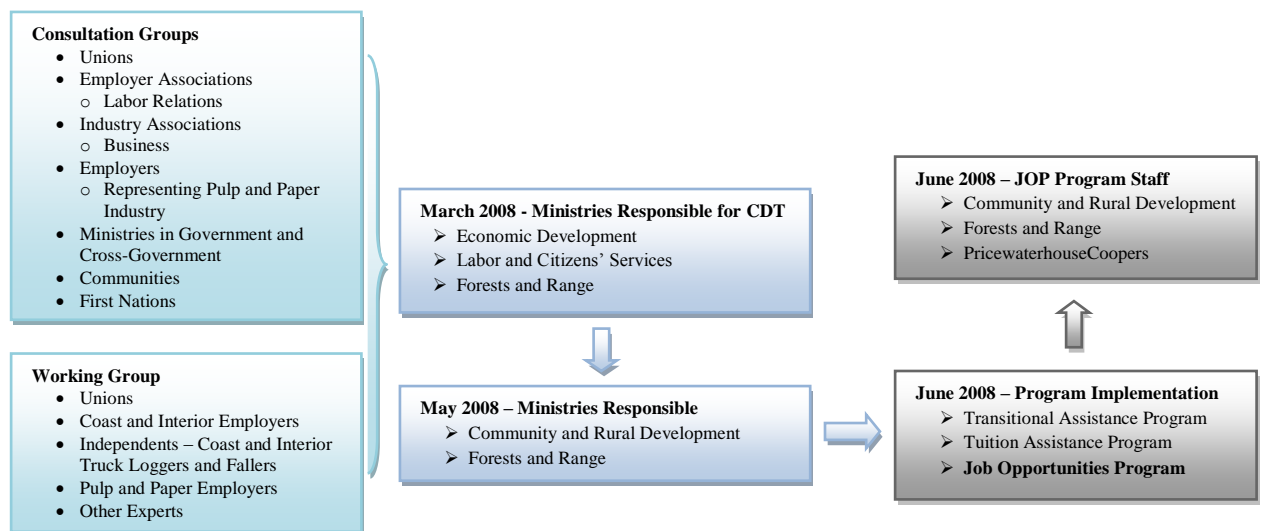


Figure 4. CDT and JOP players.

Significant challenges and issues that were encountered throughout the three year term are presented with evidence to describe how these situations were mitigated in order for the horizontal initiative to remain accountable to both internal and external forces. This section positions the report for a detailed analysis of the four most significant key success factors that horizontal initiatives should recognize to be fundamental and imperative when developing cross-organizational programs in government. These four success factors will be analyzed in Section IX.

Study questions

From a government perspective, is the JOP an effective example of horizontal management in government? Does the JOP reflect the literature and provide confirmation to the theories posited in the literature that support the implementation of horizontal management in government to effectively deliver services to the public and efficiently provide successful program delivery to the province? Did horizontal management enable the JOP to meet program objectives? Why or why not?

Key issues

This section describes the key issues that arose throughout the three year term of the JOP from program development, implementation and to eventual program delivery to the province. The findings from the surveys that included respondents from both internal employees and external recipients of program funding are presented throughout intermixed with specific program review.

In addition the theme of horizontal management and how it is positioned through specific program review is presented. Year one, two, and three of the JOP are described in this context with the identification that external respondents were recipients of 2008/2009 program funding with completed projects. Internal employees are those that have either been involved since program inception in 2008 or have been involved at one point in the program to the present.

Year one – 2008/2009

Program development and timelines

Program development since the announcement of program funding to the province of BC in March of 2008 was significantly expeditious. This was due in large part to the push from senior executive to implement the program in order to benefit the impacted forest industry as quickly as possible. This meant that the JOP was developed, implemented and delivered within three months from the announcement of funding.

As a result of this, it is evident through program review that key and significant steps to program development may have been neglected, which is reflected in the challenges encountered which are further described throughout each section in year one. These include but are not limited to eligible applicants, delivering program funding, project implementation and media releases.

Program delivery

The initial year of the program was the responsibility of the MFR delivered through a third party administrator, PwC. Due to the limited timelines available to develop and deliver the JOP, PwC through an existing agreement, was utilized to be the source of program intake for JOP projects. This meant that PwC was the eyes and ears, so to speak, of the program and applicants' first point of contact. The toll-free number that was in place led applicants directly to PwC, while the application process (submitting an application, forms, guides, frequently asked questions, and other information) was on both the MCD's website and PwC's website. This inevitably led to confusion about whose program the JOP was, and ultimately who was responsible in the decision making process.

As referenced in the literature, a key success factor when implementing horizontal initiatives is developing a structure. While a structure was created at the outset for the JOP, it was built upon an existing foundation, and not solely developed for the unique properties

and factors that were the impetus for the program. An existing relationship was already in place with PwC and due to timeline constraints, the MFR chose to implement the JOP through this prior agreement. While successful in getting the program up and running quickly, the development of a mutually agreed upon structure was not created, and the JOP was implemented through a previous understanding. This would have implications as the program progressed.

Accountability

One major hindrance to the nature at which the program was developed and implemented is important to note. Because PwC was administering the program and were the initial point of contact, with the MFR making decisions upon only those projects that PwC selected and sent, negative feedback was not discovered until the Public Affairs Bureau (PAB) contacted the recipients to include quotes for ministry news releases. Herein lays a significant turning point to the method in which the JOP was to be delivered in the future, which is explored further through the discussion of program redevelopment in September 2008 and April 2009.

This brings up another factor expressed in the literature regarding horizontal management and a key issue that should be considered, accountability to the public. With any horizontal initiative this question of accountability is prevalent, especially through the provision of a government program. With PwC being the intake point for project applications, the accountability of program delivery was in question. Due to the feedback received from initially approved funding recipients, the government was faced with the question of public accountability.

Further challenges arose with respect to accountability of PwC as the third party administrator. Program management quickly realized that PwC while accountable to government should not be up to public scrutiny or be viewed through the lens of public perception. The JOP was a government run program, delivered through PwC. Government was accountable to the public and ultimately to the Ministers responsible for program goals and objectives.

It was determined that changes should be made to reflect this question of accountability and endeavor to remove PwC from citizen inquiry. Program staff needed to remain vertically accountable and these reporting requirements and individual responsibilities were not clearly mapped out at the beginning. This is another key success factor to horizontal management that was not specifically implemented at the outset between group members involved with the JOP.

Applicants

Initially it was believed that licensees and contractors familiar with implementing and executing forest-management type projects, as described under eligible work activities, would apply for funding under the program. Due to unpredictable circumstances, the mood of the forest industry and recent layoffs, these potential applicants did not undertake JOP projects.

As a result, program staff were suddenly faced with an unforeseen consequence which had not been expected and for which they were unprepared. Inexperienced applicants, such as local governments and non-profit organizations, were the majority of potential proponents who began to submit applications for funding. Consequently their inexperience and limited ability to take on projects of this nature resulted in the first round of approved projects taking too long to get underway. This resulted in adverse feedback and the program missing its key objective, getting unemployed forest workers back to work quickly.

A number of significant requirements in order to achieve effective horizontal initiatives, which have been noted previously in the literature review, include coordination, efficiency, group development and program structure. While all four of these aspects were in place, due to time limitations and pressure from outside forces, clear delineated responsibilities may have been missed. Program staff, in their attempts to be efficient and meet time constraints, had missed key aspects of coordination, development and structure of the initiative. By allowing PwC to operate under the same conditions that were in place under an existing agreement, reporting requirements specific to the JOP did not have a chance to develop.

Without the MFR being involved with project implementation once funding approval had been given, the ministry was unaware that recipients were beginning to feel unsatisfied with the JOP. Had these four aspects of program development been nurtured at the beginning, the discontent felt among early funding recipients, may have been sidestepped. As a result of this important program feedback early on in the process of funding approvals, the accountability issues that were raised from this circumstance, were revisited and reworked.

Expression of interest

Due to inexperienced applicants submitting project applications the program faced a significant road block and in September 2008, three months after opening up the funding intake window for 2008/09 projects, JOP underwent an extensive revision to the application process. As discussed previously, due to time limitations, the structure required for the JOP that is necessary to achieve success in horizontal initiatives, was not fully developed at the outset.

Once the program was underway, based on feedback, program staff determined that revisions would be required, and worked together as a group to develop a process and make the necessary revisions. As discussed in the literature, group goals and achievements must be established together, and should be developed at the beginning (Quinn et al, 2007). This success factor, though delayed, was implemented within a short timeframe after program delivery had started.

Another rationale for revising the application process was a simple reflection of the application form itself. In reality it was not an application form but an expression of interest (EOI) which had initially been developed by the group to evaluate general project ideas from eligible communities. Again, this form was a reflection of the timeframes allotted to program staff to set up and deliver the program.

From a historical perspective, PwC had experience with this method of determining project eligibility and gauging general project interest from prospective recipients. There was no evidence available at the time to suggest that the EOI would not be effective for the JOP. The form initially used was mutually agreed upon by the group and was not an individual pursuit, which is noted as essential in the readings in horizontal initiatives to mitigate internal conflicts.

Group decision making from the outset of the JOP was prevalent, and individual priorities were not in question or at issue. Due to the historical relationship with PwC, trust and confidence in their program delivery was never in question. This is significant in the horizontal management of the JOP and the ability of all of the players involved. All were able to work independently and as a group in order to achieve program goals and objectives.

A problem with the application method that became apparent was that while a possible means to determining project interest, the EOI itself posed a significant problem. In order to be able to evaluate projects submissions to ultimately get projects up and running, the EOI was only the first step in the process. Unfortunately, the fact that this form itself did not specifically lead to program funding in the short-term was not clear and this led to a high level of confusion on the part of applicants, due in part to their inexperience, and also due to the form itself.

It was unclear to potential proponents from the outset that the EOI was not a full application upon which funding decisions would be made. Again, this reflects the limited development of program structure, reporting requirements, responsibilities and coordination aspects that are fundamental. While marginally in place, these key functions and priorities had not been given enough time to develop and the horizontality of the program would inevitably face increasing challenges as a result.

Based upon further feedback from recipients, local community representatives, and other industry stakeholders the application process was revised in September 2008.

Program redevelopment – September 2008

With the initial feedback received from the preliminary recipients of project funding, a meeting was held between the MFR and the third party administrator PwC. This meeting was to determine a more efficient and less confusing method for applicants to apply to the program. Three months after program intake began the JOP team was meeting to develop a tightened structure of delivery. This would be critical to successful outcomes in year one of the JOP.

Through this meeting it was determined that the EOI would be replaced with a more fulsome application form. This would help to ensure that applicants would provide more concrete and detailed explanations of what the project submission, if approved, would accomplish and what specific work activities would be delivered, and a budget breakdown for project expenditures. Once implemented in September 2008, project applications continued to be received by PwC, with possible projects being forwarded to the Ministry for review and a decision.

It is here that the accountability question should have been addressed. As noted earlier, public perception was that the JOP was a PwC program. The opportunity to address accountability was missed, and developing stricter reporting requirements and responsibility transfer of project application intake to the MFR should have occurred at this point. However, because program intake remained manageable and owing to the fact that PwC had the capacity to continue to manage projects applications and the held the trust of the MFR, program intake and thus, accountability remained with PwC and was not transferred over to the MFR.

Funding approvals

Once the JOP was implemented and the initial project approvals had been received from the Ministers of Community and Rural Development, Forests and Range, and Economic Development, project funding could be distributed to successful recipients. Once approved it was determined through the MFR and program staff that provincial news releases would be announced regarding successful program funding in the province.

As noted in the literature, Ministerial accountability and responsibility for the program becomes reflected in Cabinet. To put this into context, program delivery was still under the portfolio of the MFR however, after the Cabinet shuffle took place early in 2008, the final funding decisions were reduced down to two Ministers instead of the original three. The Ministers of forests and range and community and rural development were now the responsible parties determining whether funding would be approved for the eligible projects that program staff put forward. The MCD had now been given sole power over the funding transferred from the federal government under the CDT. This would mean that any funding announcements made would require the collaboration of the two ministries for mutual public recognition of community funding allocations.

Funding announcements

Initially, with the MFR responsible for delivering the JOP, it had decided to be the sole ministry completing news releases. It is here that the horizontal arrangement with the MCD falters. Coordination and collaboration, which are key success factors in any horizontal initiative, were not executed with respect to the development and release of the initial news releases. This becomes an issue at a later date as the JOP picks up momentum, receives increased provincial recognition, and when the news releases related to program funding begin to increase significantly.

The announcement of program funding brings with it a higher level of public scrutiny. In addition to public scrutiny comes the recognition by other Ministries that they should be receiving acknowledgement in the JOP announcements. This is due to the fact that work activities, while of a forest-management related nature, also included work activities to improve recreation sites and trails. These work activities were under the responsibility of the Ministry of Tourism, Culture and the Arts (MTCA). This also became a prevalent issue when work activities occurred under the jurisdiction of the Ministry of Transportation and Infrastructure (MOTI), where fuel hazard abatement activities were being completed on road right of ways. As a result, it was determined that based on work activity, those

Ministries to which the projects were related, should also be included in funding announcements.

Initial announcements

The first round of news releases provided program staff with another opportunity to recognize an additional missing piece of the puzzle with respect to the way in which the program was being delivered, FN consultation.

To be specific, a news release was made regarding a successful project being funded in the North. The successful recipient was a FN Band who was planning on completing eligible work activities on a heritage trail in their corresponding traditional territory.¹⁷ Once announced, the PAB was contacted by a neighboring FN Band enquiring about how the recipient was able to secure approval without consultation with them. The reason for this enquiry was due to the fact that the trail, while within the traditional territory of the successful recipient, was also connected to the traditional territory of the neighboring FN Band.

As a result of this situation, another program change was implemented. While initially, news releases were to be made once a recipient had secured project approval from the Ministers; this was to now be revised. Once approved, it would not be until the recipient agreement was in place with PwC, that a successful project would have an announcement released. The rationale behind this was due to the fact that once a recipient agreement is in place, this would mean that the likelihood that a project would not move forward due to issues related to FN consultation, public information sharing, and other required approvals, would more than likely not occur. To date, news releases do not go out until a recipient agreement is signed and in place between PwC and the recipient.

Herein, lays a coordination piece that should have been developed through the horizontal relationship with PwC. MFR was not aware that this piece had not been completed as it was assumed, in error, that because it was a FN band completing the work activities First Nations information sharing (FNIS) would not be required. FNIS should have been evaluated at program development due to the contentious nature of FN relations with respect to land rights in BC.

A working session based upon this premise between MFR and PwC may have mitigated the issue in the future. As noted in the literature horizontal management seeks to promote policy coherence and as a result further involvement and feedback from FN's, community groups and local government leaders may have helped to broaden the scope and understanding of the required steps when coordinating FN projects in local communities. As discussed in the findings, local community involvement is a key success factor when implementing projects that will impact the land base and local residents, including FN's.

Program progression and funding

¹⁷ While not delineated by a signed treaty, First Nations bands have asserted traditional territory rights over specific areas throughout the province. For further information please see the Ministry of Aboriginal Relations and Reconciliation site: <http://www.gov.bc.ca/arr/>.

After the application process was revised from an EOI to a more fulsome application form, applications continued to be submitted for review. When the JOP was first developed, as a result of there being no available information related to the number of anticipated applications, the program accepted project applications on a continual basis. As word of the program became more widespread, both as a result of provincial news releases, Minister recognition and locally held community events, and other means such as local community recognition by successful applicants and local government recognition, the uptake to the program and momentum began to build.

Another instigating factor to program uptake was the desire by Cabinet in March 2009, for the JOP staff to accelerate program spending in order to expend all existing funds meant for the three years within 8 months. This was in anticipation of the successful negotiation of funds with the federal government to match the additional \$30 million committed to the JOP in the 2009 provincial budget. By April 2009, program uptake had increased further and it became evident that the program was now provincially recognized and was being inundated with project applications as a result of the recently announced provincial funding.

When the negotiation for additional federal funding had succeeded, the program had increased from \$26.25 million over three years in 2008, to an additional \$30 million being allocated by the province, an additional \$30 million being secured from the federal government through the 2009 Community Adjustment Fund announced in the 2009 federal budget, and an additional \$2 million agreement secured with the Island Coastal Economic Trust,¹⁸ for a new total of \$88.25 million for the JOP. It became evident that the program needed to be redeveloped again in year two in order to mitigate the flood of applications to the JOP as a result of the additional funding which was announced early in 2009.

With the additional funding program staff missed a significant opportunity to re-work the structure, intake process, and eligibility requirements of the JOP. Federal funding brought with it new reporting requirements that should have been reflected in a reworking of the program. However, as a result of the program being viewed by both internal stakeholders and external participants and local communities across the province as successful and making a positive impact, it was determined that redevelopment of the JOP would be minimal.

Efficiency was believed to be in place and citizen need was being achieved. Funding was being delivered to communities in need and unemployed resource workers were getting the opportunity to gain new skills, remain in their communities and make an income, which would contribute to the local area economy. All program objectives seemed to be met and further restructuring did not appear, on the surface, to be a necessity.

Year two – 2009/2010

Program redevelopment – April 2009

¹⁸ The Island Coastal Economic Trust was created by the government of British Columbia on February 27, 2006 under Bill 7 - North Island-Coast Development Initiative Trust - to help grow and diversify the economy of the North Island-Coast area by leveraging new investment and partnerships for economic opportunities. For further information please see: <http://www.islandcoastaltrust.ca/>.

One specific concern on the part of program staff at MFR was the misconception, publically, that PwC was the responsible party for the decision making process for the JOP. While they were in fact the third party administrator in place to deliver program funding to recipients they were not supposed to be viewed as the entity responsible for the program itself. This was a major concern on the part of the Ministry and was addressed more significantly through a program redevelopment process in April 2009.

While the program itself continued to be submitted to PwC through the JOP email that they had set up, it was determined that in order to meet the growing demand, to deflect attention from PwC back to the MFR, and to have on hand all projects submitted to the program, all project applications would be forwarded directly to the MFR for review. MFR would now select and work through projects for funding initially and not PwC.

This would help to ensure accountability would no longer be in question. Further, by having all projects on hand MFR could be more accountable to the Minister. There were increasing instances of the Minister's Office (MO) being contacted by applicants regarding project applications. By having all projects at their disposal program staff were able to answer enquiries by the MO and mitigate possible negative feedback and external pressure by applicants.

One concern that arises, that is reflected in the literature, is the influence that Ministers have on the process and decision making outcomes of horizontal programs. While it was necessary that the Ministers be involved with the approval process of funding allocations to eligible projects,¹⁹ there is an element of persuasion that makes accountability to the public challenging. External pressure on the MO, in turn often put internal pressure on program staff with respect to funding decisions and project eligibility. This places program staff in a compromised position with respect to transparency and accountability to the public regarding the allocation of JOP funding and decision making.

Application intake window

As MFR program staff began to review projects and make funding decisions, it became evident in May 2009 that the program was beginning to be oversubscribed. Even though an additional \$62 million had been directed to the JOP, with the directive by cabinet to spend the provincial \$30 million, uptake had increased significantly and it became apparent that if projects continued to be submitted, funding would inevitably be unavailable to meet the increased provincial demand. By June 2009, program staff were having difficulty reviewing the high number of project submissions and were still attempting to approve projects that had been submitted as early as March 2009.

After a review of the total number of projects and the amount of funding left available it was determined in June 2009 that the program was oversubscribed and that the funding window, previously accepted through continuous intake, needed to be closed. Due to the

¹⁹ Premier Gordon Campbell, in response to Carole James, Opposition Leader of the NDP, stated in Cabinet on May 27, 2008 that Ministers would approve all funding allocations after a review of submitted projects. To review the Hansard from this session see pages 12962 – 13019 of the 2008 Legislative Session: Fourth Session, 38th Parliament at: <http://www.leg.bc.ca/hansard/38th4th/H80527a.htm>.

additional federal funding announcement just recently having been made, program staff were directed to extend the program funding window. The program funding window was extended twice through federal-provincial agreement, with it eventually closing on July 24, 2009.

This extension resulted in an additional 250 projects being submitted, for which the program did not have funding. As a result, program staff had to determine how funding would be allocated to the remaining projects that had been submitted after May 1, 2009. Any projects that had been submitted prior to this date went through a review process in order to remain fair, and were worked through by program staff and the recipients. Any projects submitted after this date went through the review process after the funding window closed on July 24, 2009.

Public perception and accountability, as well as credibility, faltered. Confusion resulted and negative feedback began to be heard, initially because of the funding window, previously continuous, now being closed, secondly because of the window being extended twice. It made the program appear disorganized and created an expectation of a higher number of approvals being announced. This would not be the case, as the program was already oversubscribed by June 2009. The additional six weeks created false expectations that could have been avoided.

The federal government was missing a key success factor in horizontal partnerships; they were focused on individual priorities and not the requirements of the group. Unfortunately the province would have to bend to federal will, as the funding was no longer solely the responsibility of the province. The additional funding was not transferred in trust but was provided on a project by project approval process. It is evident that above and beyond the individual political impact for governments themselves, government requirements and policy processes held more implications for JOP outcomes at this point.

This had significant repercussions with respect to accountability to the public. It became evident that as a result of the structure of the JOP not being specifically laid out in the beginning, and even after the additional funding had been secured, that there were imminent negative internal issues inherent in the JOP structure. Methods to evaluate the influx of project applications had not yet been developed, and program staff were working on a program that was in essence going through a process of build-design rather than design-build.

Funding allocation

As noted previously, initially the funding window was an ongoing process without a closing date. This was determined at the beginning when funding uptake was manageable and meeting program targets. Due to the significant uptake of requests for funding for the 2009/10 window a decision was made to close the funding intake window, originally in June, and finally in July of 2009 as the program had become oversubscribed.

Due to being oversubscribed, program staff were required to review over 250 additional projects that were submitted as a result of a six week program extension. The additional funding provided by the federal government of \$30 million had been delayed in

announcement and as a result the decision was made to extend the funding intake window beyond the provincial date that had initially been determined.

Owing to the JOP receiving many more applications for funding than funding available program staff faced a significant challenge. How were they to decide on the allocation of the remaining funding, while achieving government goals, program objectives, and reasonable regional equity and distribution throughout the province? Ministerial review would provide the direction on the final provincial funding allocation for the 2009/2010 year.

Project review

Project review was a complicated – and at times – frustrating process for program staff. As the program had previously had a continuous intake, prior applicants for program funding were worked with in order to get an application to the point at which it met all the requirements in order to move forward for approval to the Ministers. Due to the overwhelming number of additional projects and the need to close the application window program staff were required to develop a process by which projects could be reviewed, ranked, and decisions made.

This process was not previously required as each application had originally been evaluated, and if missing key requirements, applicants were contacted and best efforts were made to enable the project to move forward. Missing elements may have included any number of factors such as a clear description of intended work activities, related ministry approvals based on work activities, detailed budget information related to spending allocations for the project, and many other factors.

The program, since its initial delivery early in 2008, had not developed a specific review process that was capable of ranking project applications. As a result this was being developed in hindsight and was based on the program selection criteria more specifically than it had been previously. By this, it meant that project applicants could no longer be worked with to get an application to a place where it could move forward. Applications were now being reviewed based on the merit of what was provided and the information in place at the time of submission. This created a laborious process for program staff, who at times were required to review projects upwards of four times, until an efficient and effective ranking system was determined. In the end a review process was finalized, with the assistance of PwC, and the highest ranking projects were put forward for recommendation to the Ministers.

This review process would not have been possible without the coordinated efforts of MFR, MCD and PwC. The relationship in place between these three entities, horizontal in nature with reciprocal coordination, was a key element enabling program staff to complete the arduous task of project review, under significant time constraints and with considerable external pressure and public scrutiny.

Timelines and executive direction

After the project recommendations went forward to the Ministers, program staff waited for a decision to be made on the allocation of funding. Meanwhile, there were applicants who had been waiting since May 2009 for decisions to be made on whether or not the project applications that they had submitted would be moved forward for approval or not. The delays for many of the recipients caused significant issues related to project start up and the recruitment of eligible workers.

When the funding allocation decisions were made, many projects would have to be delayed due to inclement weather, the incorrect seasons advancing to complete work activities, as well as a number of other rationales why project delays would have to occur. This was a result of the delays in project review due to timeline extensions and program oversubscription. Again, accountability to the public came under significant scrutiny in this instance and the JOP would require an expedited turn-around on project approvals in order to remain effective and to meet program objectives. Further, Ministerial accountability to Cabinet was at issue in this instance as the longer the delays in funding decisions, the more pressure the Ministers faced through public scrutiny.

Funding decisions

Project applicants were notified of their project status by letter on August 27, 2009 whether the project would move forward in the approval process or if it was not selected to move forward. The projects were approved only in principle by the Ministers as a result of the project applications still potentially missing key pieces in order to get project work activities underway. Such examples included the completion of FNIS, acquiring necessary licenses, prescriptions, and/or other required approvals not yet in place. In addition, any budget anomalies were to be worked through with PwC once those approved projects were transferred over for a final detailed review.

It is important to note that after the projects were reviewed and sent forward to the Ministers for approval, a higher level decision was made that there would be no further funding allocated to any recreation site and trail maintenance projects. This was due to the fact that to date over 60% of program funding approvals had been dedicated to recreation site and trail maintenance projects throughout the province, accounting for approximately \$26 million in funding from the JOP. Final project approvals by the Ministers were based upon specific work activities that were in line with government priorities. These included fuel management, forest health, silviculture, and ecosystem and range restoration projects.

This decision had a significant impact of staff morale, public perception, transparency and public accountability. Prior knowledge of this impending decision would have helped to mitigate the enormity of project review by staff. If this determination could have been presented prior to final project review a significant amount of time would have been saved, as recreation site and trail maintenance projects accounted for over half of the projects that had been reviewed for funding through the 2009/10 window.

Federal Community Adjustment Fund

As noted previously, the JOP was allocated an additional \$30 million in program funding through the Community Adjustment Fund (CAF). This funding was secured through the

provincial government providing an additional \$30 million in program funding early in 2009 to match the federal contribution. The federal funding was to be approved on a project by project basis. This in itself posed a significant challenge for program staff as a result of the lack of clarity on the eligibility of project work activities that would be funded under the agreement.

The JOP had previously been able to approve projects based upon the specific criteria and set up of the program for the 2008/2009 year. With the introduction of the additional federal funding, staff were required to select only those projects that specifically met the federal criteria. This placed a sizeable burden on the JOP funding that remained separate from the federal monies. Again the required structure, layout of responsibilities and other factors that are required in horizontal relationships to enable success were not created for this additional partnership arrangement. This would have a sizeable impact on the administrative burden that was placed upon program staff with respect to the CAF monies in place for 2009/2010 and 2010/2011.

In hindsight, the JOP/CAF funding arrangement should have received a significant amount of development and attention. It is virtually impossible to fit a program (CAF) within a program (JOP) when it is already underway with processes in place. Key aspects that needed to be addressed based on the variability and differences of the two programs should have been reviewed. Time pressures, again, pushed program implementation without due regard for the development and structure of the new funding arrangement.

A final piece of the agreement that arose through the federal funding agreement with the province was that after project intake had closed in July 2009, the federal government determined that of the \$30 million, only \$15 million of it could be allocated in 2009/2010 funding window. The remaining \$15 million would be allocated towards the following years projects that were to be submitted through the final funding intake window, slated originally for January 2010.

The federal-provincial interplay throughout year two of the program was riddled with unclear expectations, evolving requirements, as well as financial and administrative burdens. The horizontal partnership between the federal and provincial government, while on the surface appeared successful publically, internally was causing significant pressure due to the incompatibility between the JOP and CAF program designs. The additional requirements, unknown at the outset of the funding arrangement, had increased workload significantly and the program was unprepared to meet these increasing demands.

MCD horizontality

In order to meet the needs and requirements of the federal government, the program director in consultation with the CDT executive director, was able to secure additional staff resources. The relationship that had been developed over time with the MCD, who still was the ministry who held the funding in trust for MFR, enabled the successful completion of federal work requirements.

While the relationship with MCD had always been in place, there had been very few instances where it had been used in order for the JOP to meet its objectives. With the

increase in funding and new reporting requirements placed on the program, this horizontal partnership was essential to meeting program targets, federal requirements, and public accountability.

Resources from the CDT were utilized in order to meet these goals and as a result both the MFR and the MCD were able to achieve provincial recognition through the 2009/2010 distribution of funding to resource dependent communities throughout the province. It is within this relationship between the two ministries that joint decision-making, investment and shared risks resulted in the horizontal program achieving its objectives.

Smart practices

At the end of the 2009/2010 funding window, project selections were made and decisions had been determined by the Ministers and projects selected moved forward after approval in principle. Recipients were worked with further in order to get these projects underway.

As a result of the 2009/2010 funding intake window, the challenges faced, and the other factors that arose, it was determined by program staff that a team meeting be held in order to go over the smart practices learned that would further inform the development of a structured process that could be applied to the final funding intake window for 2010/2011. This would assist in the mitigation of potential similar issues, and to develop a clearly defined structure that outlined program requirements, responsibilities, and staff roles.

A smart practices meeting was held in Victoria, BC which was attended by the MFR, the MCD and PwC staff involved in the JOP. Based on the feedback received through discussions with PwC and ministry program staff the final intake window opened up with revised program documents, application requirements, and changes to the submission process. The result in year three was a more manageable, easily identifiable program that was defensible and would allow for the best allocation of program funding throughout BC to those communities most in need. This is discussed further in the following section.

Year three – 2010/2011

Program redevelopment – December 2009

Through program redevelopment for the final funding intake window for 2010/2011 program staff recorded feedback from the smart practices meeting that took place in November 2009 and the MFR used this information to move forward with the recommendations made in order to make changes to program documents, application requirements, the submission process, and the website. Further changes included the creation of an initial screening checklist and a detailed assessment.

The screening checklist would facilitate the ability to screen project applications out of the review process if they did not meet minimum program guidelines and requirements, thus reducing the total number of projects to be reviewed. The detailed assessment provided staff with a clearly defined review process, based on the selection criteria and prior historical information on the review of projects, that would enable an effective, fair, and criteria based review of eligible projects. In addition, the review process further enabled

staff to rank projects based on the specific criteria as well as based upon eligibility for funding under the JOP/CAF funding agreement and solely under the remaining JOP funding from the original trust dedicated to year three.

As a result of program review the JOP window that opened up for the period through December 11, 2009 – January 22, 2010 saw a number of changes that included revisions to the application form, the inclusion of required mandatory documents to be included with the application, submission process revisions, program intake officially moving from PwC to the MCD, a toll-free number, additional staff assistance, and the movement of the program to the MCD from the MFR.

Final program outcomes

The development of a specific and clearly defined review process enabled project review to be completed on over 540 submitted project applications. These projects were ranked according to the criteria and decisions were made based on ranking, regional equity and distribution. In addition, equal funding allocation based on work activity type and the eligibility for CAF/JOP and JOP only funding was completed through project review.²⁰

²⁰ At the time of writing final funding announcements had not yet been made and further comment on year three could not be included in the research project for analysis.

VIII. FINDINGS

This section presents the findings that were collated from the external and internal surveys regarding the JOP. Responses were generated through survey questions that were intended to generate feedback regarding program eligibility, application processes, communications and any additional commentary respondents provided to the researcher.

External recipients of program funding were asked to provide comment on the program funding that they received for year one of the JOP. Internal respondents were asked to provide comment on the program dependent upon their involvement throughout year one through three of the program.

External recipients of program funding are presented first with additional commentary provided by the respondents concluding the section. Internal respondents are presented second in the same manner. The findings present specific answers provided by survey participants and researcher analysis of the findings will be presented in Section IX through the analysis of the JOP case study.

External survey

Program respondents

External respondents generated a 32.7% response rate with 18 of the 55 total numbers of invited participants completing the survey. Of these, for-profit organizations had the highest response rate at 44.4% or 8 of the 18, while local government and not for profit organizations each had a response rate of 22.2% or 4 of the 18 for each. First Nations had a response rate of 5.6% or 1 of 18 and other received 11.1% response rate or 2 of 18 respondents.

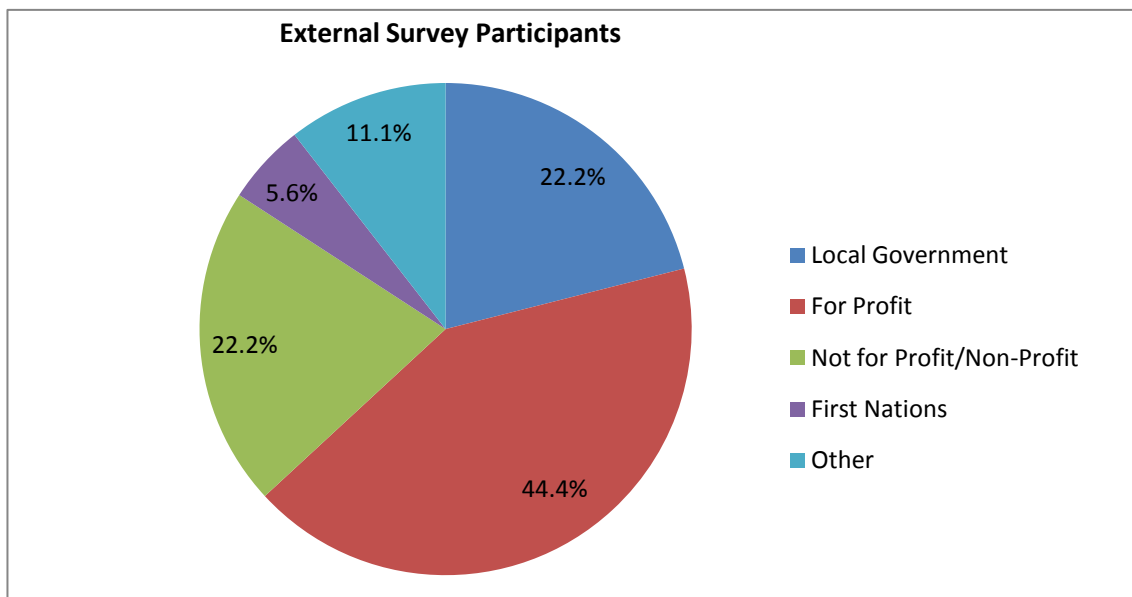


Figure 5. External survey participants chart

Program notification

The MFR used the UBCM in order to get widespread notification across the province regarding the JOP. Of the respondents to the survey, 35.3% or 6 of the 18 selected “other” as a means to hearing about the program. The category “other” included a government source, a forestry consultant contacted the recipient, the MTCA, a local non-governmental organization, and a village councilor brought it to the attention of the recipient. Meanwhile 29.4% or 5 of the 18 selected a co-worker as being the avenue by which they heard about the program. In addition, 17.6% or 3 of 18 heard about the JOP through a provincial news release. Notification through a website, friend/neighbor, presentation, and employment centre each received a response rate of 5.9% or 1 of 18 selected these notification methods.

The UBCM received 0% as a method to learning about the JOP. The UBCM was the only avenue that the MFR used to notify local communities about the program when the JOP first began accepting applications in May 2008. For the UBCM to receive 0% is significant and should be recognized that they were not an effective method for announcing JOP to the province and the targeted audience in local communities.

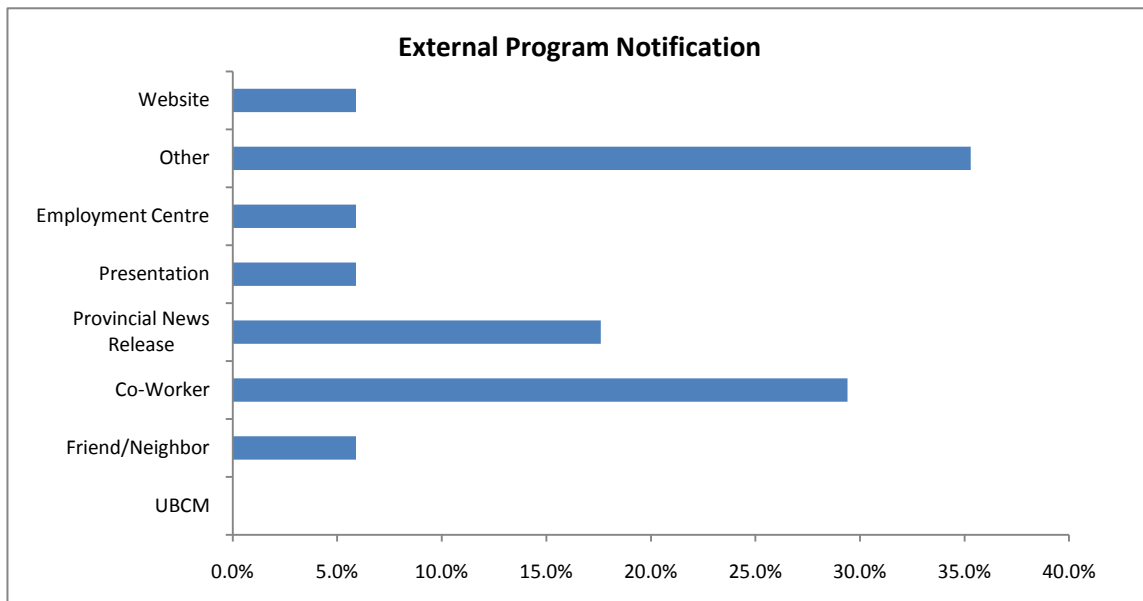


Figure 6. External program notification chart

Program objectives

When asked whether or not the JOP was meeting its objectives, 50% or 9 of 18 felt that retaining skilled workers in communities was completely met while 33.3% or 6 of 18 felt that the program was somewhat effective at retaining workers. Of the 18 respondents, 3 were undecided, or 16.6%, whether or not the program was effective at retaining workers.

While the JOP was intended to also increase workers skill sets 27.8% or 5 of 18, felt that this objective was met completely, whereas 50% or 9 of 18 external respondents felt that workers skills were only somewhat increased. Both undecided and not really were each

selected by 2 of 18 participants, or 11.1% each when asked if workers skills were increased.

When asked if resource communities benefited from the JOP program, 83.3% or 15 of 18 respondents felt that this objective was met completely, while 16.7% or 3 of 18 felt that this objective was only somewhat met.

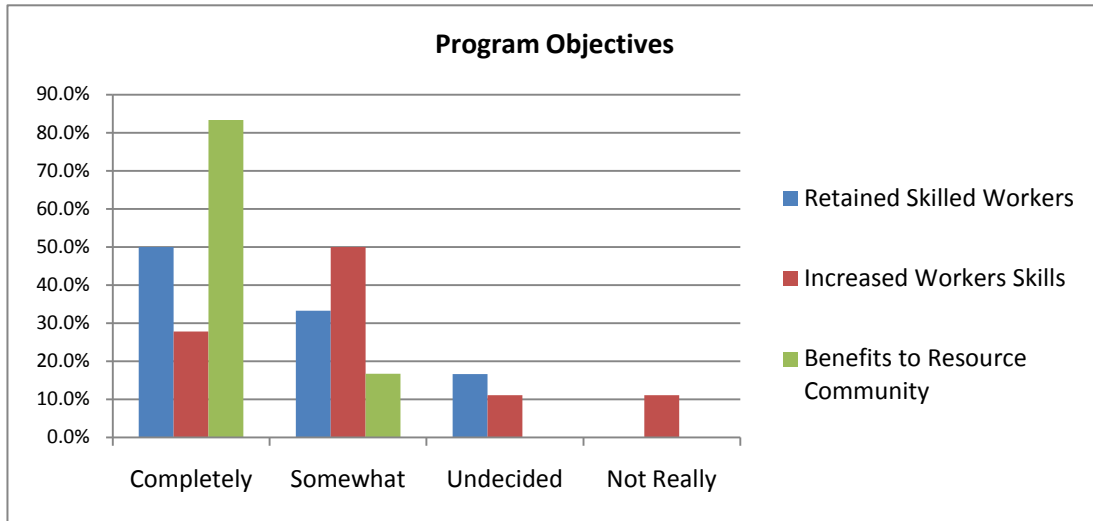


Figure 7. Program objectives chart

Additional responses included specific references to work activities completed such as the reduction of interface fire hazard; the creation of fire smart barriers between homes and forest; improved recreational opportunities for the community; building partnerships, trust, and education between different levels of government as well as with community groups; helped prevent wildlife collisions along highway corridors.

Other responses noted that it was felt that JOP was also supposed to help the private sector retain/retire their workers and that this did not occur. Concerns were raised that the program was dedicated to trail maintenance using resource worker labor.

One of the main objectives of the JOP was to benefit local resource communities impacted by the downturn in industry markets as a result of numerous factors. After a review of the responses from external respondents, it is apparent that in local communities, by recipients of program funding, the objectives were met.

Application process

External respondents were also asked to provide feedback on whether or not the application process for the 2008/2009 funding window was easy to understand. Almost all respondents felt that yes, eligible work activities were easy to understand at 94.4% or 17 of 18 respondents.

Completing the application form and submitting an application were also easy to understand at 88.9% or 16 of 18 for the form and 83.3% or 15 of 18 for the submission of

an application. The eligibility of resource workers was still high at 72.2% or 13 of 18 but received a few responses that suggest that the definition of the resource worker could have used some further clarity and explanation to make the eligibility more apparent and easier to understand. An additional response noted that PwC was difficult to work with as a result of their website layout.

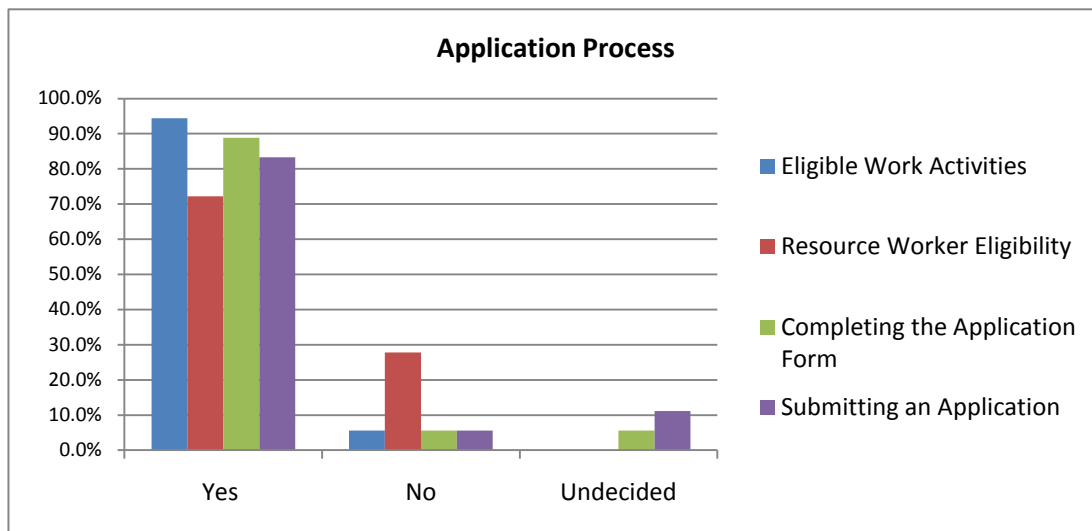


Figure 8. Application process chart

Program enquiries pre-approval

Prior to project approval 66.6% or 12 of 18 recipients of project funding contacted PwC between one to three times if they had program related enquiries and 4 of 18 or 22.2% contacted PwC more than three times. This is a reflection of the fact that PwC was the initial intake point for project applications in 2008/2009. The Program Manager was contacted between one to three times by 38.8% or 7 of 18 recipients of project funding prior to approval. This reflects the changes made to the JOP, where the MFR began to take over project applications, and work directly with potential recipients on their project applications prior to funding approval and transfer over to PwC.

In addition, the Program Director was contacted between one to three times by 3 of 18 or 16.6% of respondents, and the Executive Director was contacted between one to three times by 2 of 18 or 11.1% of respondents. Co-workers were also contacted between one to three times by 4 of 18 or 22.2% of respondents, which may reflect successful notification regarding the program to local community areas that would be eligible for funding through the JOP.

Email was also a method of having questions answered that applicants chose to use prior to funding approval. Of the external respondents, 4 of 18 or 22.2% used email between one to three times and 2 of 18 or 11.1% used email more than three times. Further, the Minister’s office was contacted by 3 of 18 respondents or 16.6% between one to three times. Both the MLA’s and the MP’s offices were contacted by 1 of 18 respondents or 5.5% between one to three times prior to project approval.

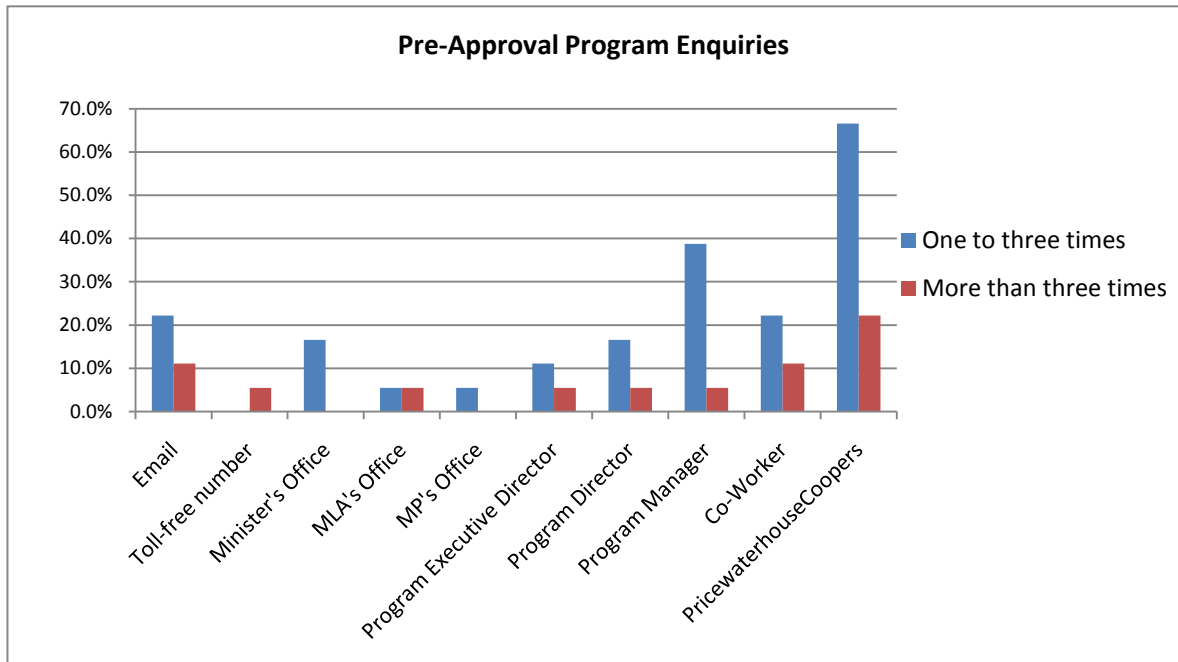


Figure 9. Pre-approval program enquiries chart

Other responses included that the MFR Minister was the respondents local MLA, that the consultant used was very familiar with the process, and that this consultant had managed several projects right from the application stage. Further responses included that local expertise is key, and that PwC seemed to be the only entity that appeared to have program related answers for an extended period of time.

Program enquiries post-approval

After program funding had been received the Program Manager was contacted between one to three times by 4 of 18 or 22.2% of respondents, while 7 of 18 or 38.8% of respondents contacted PwC. In addition, PwC was contacted by 9 of 18 or 50% of recipients of program funding after project approval. Both email and co-worker were each selected as a point of contact in order to have program enquiries answered post-approval by 3 of 18 or 16.6% of respondents between one to three times.

Other responses included that the consultant used was experienced in similar projects and was able to answer many of their questions. An additional response noted that the district office of the MFR was essential on numerous occasions post-award on more than one project and that they had FN consultation sign-off, prescription oversight and approval, as well as other permits.

Other comments

External respondents were provided with the option to offer additional thoughts on the JOP. These are summarized by combining together comments below by theme which include respondents overall view of the program, administration, the application and budget process and program delivery.

Overall

Respondents who chose to provide commentary felt that the JOP was effective over all, with great local benefit and employment opportunities, helping out people in need, and that people were happy to get the work in their communities. Project outcomes were felt to be successful with deliverables being met within the timelines and on budget, and with satisfactory work outputs. It was noted that the fact that projects were 100% funded, with administration costs being covered in the funding, made it feasible for any community to take part, and the open approach to project types and scales meant that communities were able to tailor a project to their unique needs and interests.

Administration

Respondents made note that working with PwC was a good experience due to efficiency, and that working with PwC was preferred over working directly with government. Some respondents felt that there was a minimum of red tape while others noted that the administration and preparation for audits created extra work. There was concern described with respect to the difficulty of closing out projects due to the 20% holdback on funding until project completion. Others felt that the program should have implemented pre-qualifications for projects in order to filter out sub-standard contractors. Further, there was comment stating that there should have been more information available and a session provided for contractors to present examples of PwC's bookkeeping requirements.

Application and budget process

Respondents provided comment that the application and budget process in 2009 was difficult and that the format for quarterly reporting did not match the format for budget requirements. There was response that the web-based reporting to PwC was positive. Other comments included that the rates for equipment should not be based on government allowances due to the fact that government buying power influences the suppliers on the cost they charge. In addition, it was felt that multi-year funding approval would have been helpful. Respondents commented that it was difficult to stay within the program funding guidelines stating that expenses do not generally meet this criteria and felt that this rule forced workers to be inefficient which created poor work habits.

Program delivery

There was response that the program should have been managed regionally by the MFR through the District offices as local staff members were essential to projects getting off the ground and providing all the necessary oversight of activities on Crown land. There was concern raised that knowledge regarding proposals and project specifications should have been taken care of by MFR as it was felt that they were best equipped and most knowledgeable. Further comment suggested that the MFR District Managers could have solicited, selected and approved better projects to reflect the local resource labor markets.

It was emphasized that many of the eligible activities involve local decision and approval processes and that the program should be managed through local government agencies and

eliminate third party administration through PwC. Other respondents noted that approvals took too long and that made it difficult to implement projects in the appropriate season.

Additional funding

Based upon a review of the findings, it is evident that external response to the JOP has been positive. When asked if previous recipients of program funding would apply to the program again if another funding window opened up for 2010/2011, 94.4% or 17 of 18 of survey participants responded yes, while 1 of 18 or 5.5% remained undecided.

Internal survey

Program respondents

In comparison to the external response rate to the survey, internal response was almost double the external rate at 64.7% or 22 of the 34 total numbers of participants invited, who completed the survey. As a result of the review of the internal survey responses the MFR had the highest number of respondents. This can be evidence of the fact that the JOP was a program that was run out of the MFR for the first two years of the program. Due in part to the fact that the program was conceptualized, developed, implemented, and ultimately delivered through the MFR for the first two years can help to explain the highest response rate being from the MFR. Other respondents included MCD, MTCA, MOE and PwC. The survey was able to solicit feedback from individuals from all internal employees except for the MOTI.

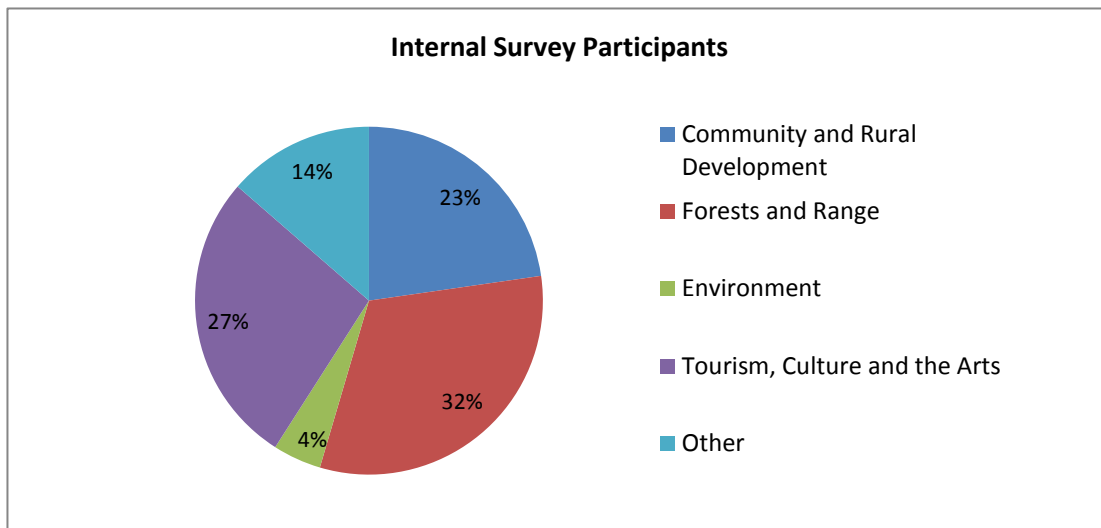


Figure 10. Internal survey participants chart

Other responses included that respondents were aware of the JOP through being the program administrator (PwC); an area roads manager stated that they offered support by providing road information to contractors for suggested work sites, traffic control coaching, and installing traffic signs, as well as providing and obtaining letters of support from other agencies such as RCMP and conservation officers, and processed permits to work on road

right of ways; in addition responses included that they were employees of the Public Affairs Bureau for the MCD.

Program objectives

When asked if the JOP was meeting program objectives views were mixed but overall, there was a general feeling that the JOP was meeting its objectives and that the three criteria were being met.

Other responses that were provided when asked if the JOP was meeting program objectives was an elaboration on the benefits which included that the JOP stabilized the community and families, and improved safety for travelling public as the crews removed brush that obstructed wildlife; as well as positive examples being reflected in the work completed through the invasive plant projects and the heritage skills training that workers received.

Further information included that a respondent felt it was difficult to assess if worker skills were increased due to the fact that a post-project summary of skills obtained was not requested from recipients but that there would be an assumption that the skill sets may have been enhanced but may not be able to be quantified; in addition a respondent noted that further objectives could have been developed to expend the skill sets of forestry workers hired on projects.

Due to program refinements a respondent noted that their comments were related to the JOP in their respective community during year one and with consideration of program delivery in year two. In addition, a respondent felt that they were not close enough to the on the ground operations to comment on the workers skills.

Application process

In comparison to external respondents on whether or not the application process was easy to understand, internal respondents when asked about the program website and the application process, had various responses. When responding to the navigation of the website 50% or 11 of 22 felt that the website was easy to navigate, which means that program information was relatively easy to find, with little confusion or misunderstanding.

When asked about the application process, again views were mixed. The greatest difficulties seemed to be with the resource worker eligibility and the application submission process. However, even though there was difficulty noted with the application submission process, as high as 16 of 22 or 72.7% of respondents found the process clear and 17 of 22 or 77.2% of respondents found resource worker eligibility understandable.

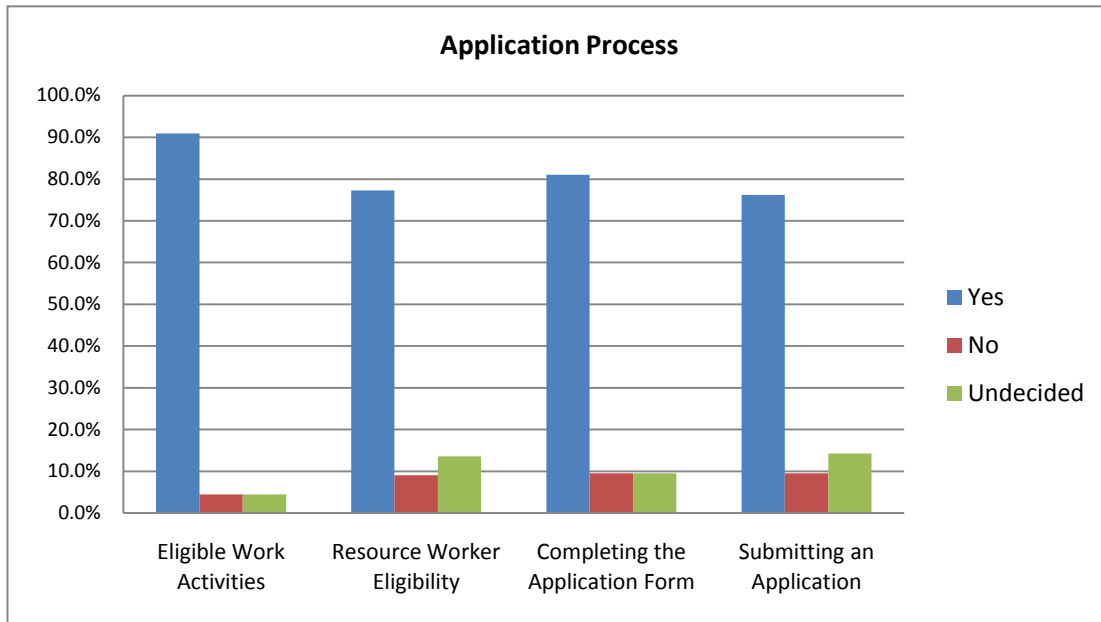


Figure 11. Application process chart

Other responses included that it was the contractors that completed the application work but that the JOP managers and PwC were really accessible and open minded as roadside brushing was a new idea for the JOP crew.

Further responses included that it was felt that the application form was a source of confusion due to some aspects of the application that were mandatory did not appear to be explicitly stated as being mandatory, that there was duplication, and that parts of the application form were misinterpreted by applicants causing various submissions to be either incomplete or to contain non-essential information.

As a result respondents felt that incomplete or confusing submissions caused many applications to bounce back and forth between the applicant and government. In addition a respondent commented that that the changes to eligibility in 2010 was unclear and believed that new changes disqualified previously eligible applicants from the program.

Horizontal management in government

The theory of horizontal management suggests that horizontality in government may be described as partnership arrangements that are used as an approach to public service delivery which leads to increased intergovernmental collaboration. Based on this definition internal employees were asked to respond on whether or not they felt that the JOP was a good example of horizontality based on this definition.

While views on this aspect of the survey were not in agreement, 6 of 22 or 27.3% of respondents felt that JOP was a completely good example of horizontal management in practice, while 12 of 22 or 54.5% felt that the JOP was somewhat of a good example of horizontality. Interpretations of these findings may suggest that while a good example of horizontal management in practice the JOP was lacking in a number of areas.

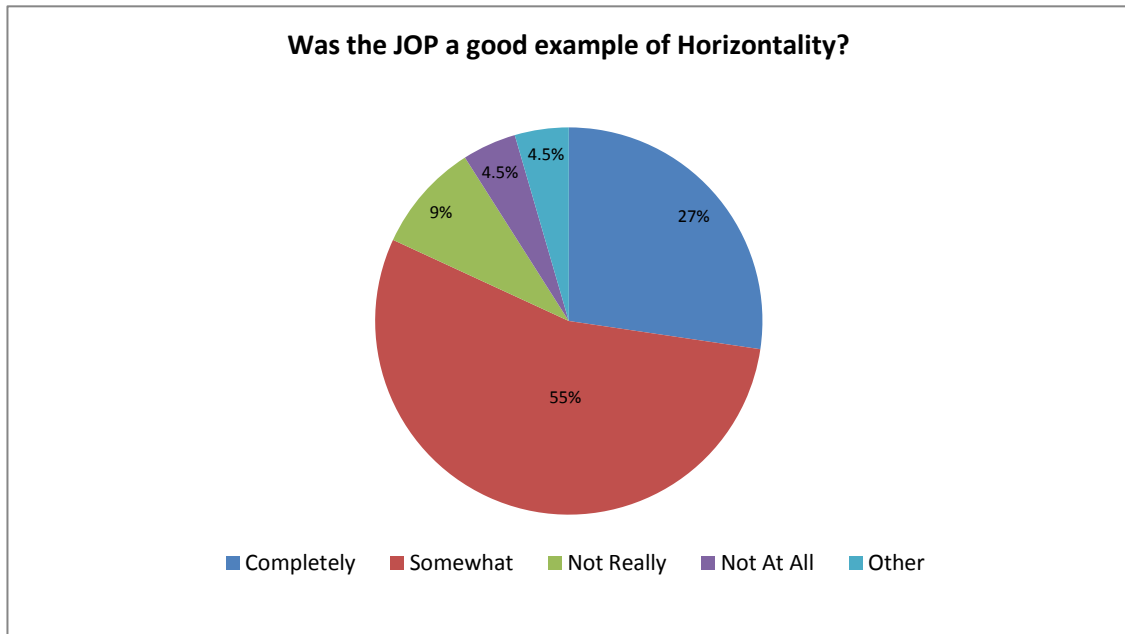


Figure 12. Horizontality in government chart

Additional responses noted that the JOP was a good example of horizontality but that potential future enhancements could include: changes to reporting criteria so that goals for other programs can be easily obtained and the requirement of collecting and providing spatial data; further that the JOP could be used to support the Provincial Government in a more direct fashion, through direct support to under funded programs, rather than adding risk to sustainability of those with net-new projects.

Recommended changes

When asked if there were any specific areas where changes and improvements could be made it is clear that internal employees would most specifically like to see changes to the resource worker eligibility definition with 12 of 22 or 54.5% of respondents saying yes to changes and yes to changes to the eligible work activities at 14 of 22 or 63.6% of respondents.

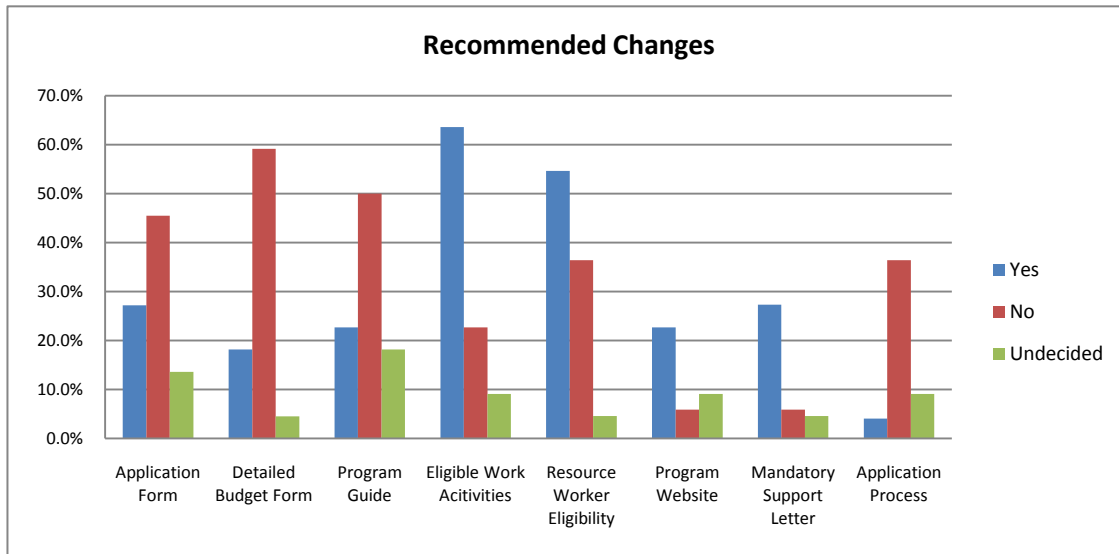


Figure 13. Recommended program changes

All respondents answered that they would make changes to all six aspects of the program that were put forward in the survey. It is evident that the program documents and the submission process would not be highly recommended for changes but that the eligibility requirements would be the first things that internal respondents would like to see changed.

Other responses included that respondents felt that projects should be linked to strategic plans related to resource management and community development, and that projects should be approved based on their strategic significance as well as meeting other criteria.

There was comment that worker eligibility should be broadened to include other workers other than direct resource workers. With respect to hiring criteria it was noted that contractors should be allowed to hire any laid off person, due to being located in the interior and the fact that most people are indirectly related to the resource industry and everybody that needs works should be eligible.

Further information was provided that suggested that as a result of being a multi-year program, minimal refinements could be made to the application process to streamline submission requirements. In addition it was noted that applicants must make certain to involve Local Government and ensure that they are supportive of the project; and that funding eligibility for planning and fuel management prescriptions completion would have been helpful.

Program enquiries

When external respondents were asked to comment on having questions and enquiries answered regarding the JOP, it was noted that PwC was contacted the most frequently with 7 of 22 or 31.8% of respondents having contacted them between one to three times, and 9 of 22 or 40.9% having contacted them more than three times.

Ministry program staff were contacted for program related enquiries an average of 22.7% of contact being between one to three times by an average of 5 of 22 people and the same average for being contacted more than three times.

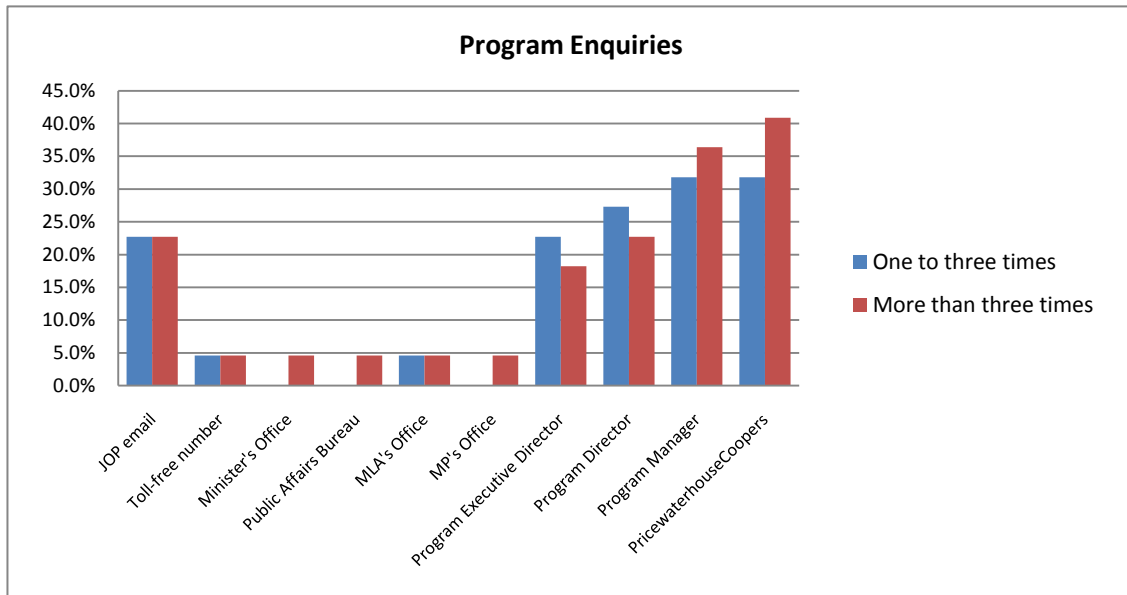


Figure 14. Program enquiries chart

Other comments included that respondents contacted internal branch staff and the website to have questions answered, and further that there was concerns raised that noted internal correspondence had been diverse with respect to having questions answered, and that in the past there was a lack of certainty who to discuss issues with. In addition, a respondent felt that the 2008/2009 JOP was not structured transparently and that the in-stream changes to program delivery caused frustration.

Other comments

Internal respondents were provided with the option to offer additional thoughts on the JOP. It must be noted that internal employees that responded to the survey were able to comment on the program's three-year term and were not restricted solely to commenting on year-one as was the case for external respondents. Numerous comments were provided that range from observations on program delivery, administrative challenges, workers skills, and program continuation.

A common theme that came through the survey of internal employees was that there seemed to be a lack of internal communication and specific direction relating to the JOP, as well as flawed timelines and an increased workload that resulted from the requirements of the program. These reflections are summarized below.

Overall

Overall respondents felt that the program was well run and effective at subsidizing re-employment of resource workers, and there was hope that the JOP would continue long

enough to see resource jobs return to impacted communities. Further information noted that many of the projects funded assisted workers in obtaining the hours they required in order to re-qualify for Employment Insurance.

In addition respondents noted that the program has had few challenges compared to similar programs in the past and felt that this was the result of effective programming staff with various backgrounds, and a toll-free line which was able to meet client needs and provide direct response to enquiries.

Administration

There was an overall view that the administrative burden to recipients was high and that non-profit organizations and local governments did not have the expertise or capacity to carry it out. Further, a respondent noted that while the program was originally envisioned to be taken up by contractors and licensees with payroll services and administrative capacity, this did not occur to a great extent and inexperienced groups that were responsible for administration expressed concern over the requirements for administrative reporting.

There was concern noted that project approvals did not meet target groups and was directed to areas that were not resource dependent, which did not enable these areas to become self-sufficient. However, there was response that positively noted that the program was valuable because their ministry did not have to tender or administer the project and only had to provide worksite permits and support the crews with safety related items.

In addition, a respondent noted that the while the changing involvement levels from the federal government had been a source of concern for program staff with respect to media relations and increased involvement from the Minister's office, federal participation resulted in a significant expansion of funding.

Program benefits and limitations

Respondents noted that the program was positive overall in maintaining land based activities in affected communities, however there was comment that various project's work activities would not keep skilled workers in their communities due to the menial labor related work involved, the distance to site locations, and that participation would be minimal while workers are still able to collect Employment Insurance.

In contrast there was response that the program was able to allow fairly under-skilled workers to acquire on-the-job training and an upgrading of skills, but that this was mostly for the lowest skilled workers in general, and should be combined somehow with more actual training.

In addition, further comment was provided regarding the view that the program works well for FN communities already hard hit by lack of employment. Further response noted that the program tended to be a haphazard funding source, with little consistency or decent timing for good planning but that it was a great opportunity to assist Local Governments in achieving their fuel management goals.

Horizontal management

A respondent noted that the perspective of provincial government employees will be very different than that of local government, contractors or recipients and that these differences should be distinguished when developing conclusions and forming recommendations.

Further comment included that a small group of individuals in Victoria could be seen as working collaboratively across ministries, in turn horizontally in government and that there has been excellent cross Ministry work done at the staff level through the program, and that the JOP should be recognized as an example of inter-ministry success.

Other comments included that individuals within ministries provided information and support to applicants, or attempted to move specific projects forward that benefitted their program areas but that it appeared that very little collaboration occurred in setting priorities or determining the best projects to advance.

Transparency and funding allocations

There was response that expressed concerns over transparency and funding decisions more specifically with transparency of approach, administration and management with it being expressed that this concern was especially with the political flexibility that was felt to have undermined any effort to predict outcomes.

A program manager responded that while aiming to channel funds in support of recreation sites and trails as much as possible, expressed concern at wasted funding on projects that would not have been supported and that there are risks that sites/trails will not be sustained over time.

Further comment included that more consideration needed to be given by JOP to the opinions and goals of Provincial Programs. Further transparency issues were expressed as a result of respondents having had proponents over the course of the program, approved in one year and denied in the second without the reasons for denial being provided and that it appears that decision making information sharing is limited.

In addition, there was frustration expressed about limited information sharing regarding approved projects in the districts, specifically reflecting internal respondent's requirements to execute land referrals, as well as tenuring and authorization activities in a very rapid manner.

However it was noted that there had been improvements in this area as a result of changes that occurred in the 2010 program delivery, but still concerns expressed regarding limited turnaround time to execute approvals, conduct field reviews, and to refine project applications. Further comment recommends actively engaging provincial line agencies in the decision making, which was noted to have been pursued in 2010.

Program continuation

There was an overall response that the JOP should be extended for workers in an industry that needs support for change and that opportunities exist to extend the JOP program and combine it with federal funding sources to address business succession planning. Further comment included that small communities thrive on locally-owned businesses and given the number of retirees getting out of the small business world, there is an opportunity to transition forestry workers to small business operations in the communities where they currently live.

Other comments stated that cross Ministry training partnerships should be explored in the bioenergy sector which may result in the creation of new sectors of employment. In addition it was noted that if the program, or a similar program, were to continue beyond 2011, a supplementary consideration to determine how much funding to advance should be whether the activity provides value to government and whether that activity or project is considered to be a priority to government; as well it was expressed that programs that are primarily job creation don't necessarily consider whether the project provides significant value to the Crown.

IX. ANALYSIS

This section of the report is aimed at providing a comprehensive analysis and understanding to the contributing factors that influence successful horizontal management. With this knowledge, those responsible for making policy, managing programs, and delivering services will be able to make informed judgments about their activities, thus increasing the possibility that their policies, programs and services may be more appropriate and effective.

The surveys and the case study raise a number of key points that should be considered. First, program development has emerged as one of the most significant key factors for success in horizontal partnerships. Specifically noted is the development of a clearly defined program structure and reporting responsibilities at the beginning of the horizontal initiative.

Second, program delivery became an important piece in the JOP that would have to be addressed in year one of the program as a result of both internal and external feedback. The information that was received, both inadvertently and through inquiry, prompted program reflection and redevelopment.

Third, accountability presented itself as a highly important and imperative factor with respect to successful horizontal partnerships. Accountability emerged as an issue in many ways through the case, but it was most significant when considering accountability to the public in program delivery. The accountability question has often been referenced in the literature as one of the most ambiguous and an exceedingly difficult feature to establish in horizontal management and this becomes evident through the JOP.

Finally, while not reflected in the survey findings and not specifically mentioned as playing a significant role in the case study, leadership by the MFR, the MCD and PwC has been of fundamental significance that has resulted in effective and efficient program delivery, program staff motivation and sustained morale, program momentum and stability, and is responsible for a high level of internal and external accountability for the JOP. This is a key success factor as noted in the literature and is an inherent piece that must be developed through analysis for this report.

Program development

Through the case study it is evident that throughout the three year term of the JOP, program development was at best a haphazard process following a build-design approach. While the program has been successful, as noted throughout the case study and through an analysis of survey responses, there were key factors in program development of the JOP that were missed. It has been noted that these factors were missed as a result of time constraints and as well as both internal and external pressures.

The literature is clear in that it emphasizes a key success factor in horizontal program development is the creation of explicitly defined group requirements and program structure. Even though program staff were under tremendous pressure to implement the JOP, this significant step should have been taken. External survey respondents however, seemed

unaware of the internal timeline pressures and believed that the program overall, including the submission process, application documents, and program guidelines were clear and easily understood.

While internally there is significant enough response that indicates that while the program was a benefit to local resource dependent communities, specifically program implementation could have used significant local assistance. Respondents also felt that due to the very nature of the JOP, the district level and local area communities should have implemented the program at the local level instead of through the province.

Further concerns were raised by internal respondents with respect to the projects chosen for funding through the JOP. There was the view that the program funding should have been more directly linked to government goals and strategic plans. What is interesting to note here is that during the final round of funding allocations for the JOP in August 2009, this is exactly what ended up happening as noted previously in the case study. Funding allocation in the end was dedicated to government priorities, after project review had already taken place.

The literature further emphasizes that horizontal management requires interdepartmental coordination involving a number of players which may include provincial and local leaders, and other internal members. This is clearly evident with the JOP and it has been noted in the survey responses that this key factor was missed in the development of the program.

Program development should have included the local level players, more explicitly it should have included district level staff that throughout the term of the program would be involved with program applicants, recipients, and local governments in order for projects to be implemented. The input that could have been gained from these fundamental internal employees is invaluable and would have drastically improved program development and implementation. Feedback responses through survey analysis range from exasperation with respect to approval timelines, to frustration at the limited information provided to district staff regarding project approvals.

The mutual trust that Pollitt (2003) expresses as fundamental to horizontal initiatives was not developed broadly enough through the JOP and should have been paid attention when program development was occurring. It is evident that while executing a horizontal program for the province, through program development key aspects of creating more widespread horizontal partnerships was not pursued. Had the horizontal mechanism been broadened at the outset, development and implementation, as well as reporting requirements and responsibilities may have been facilitated, which in turn would have reduced administrative burden on those members directly involved with the JOP.

However, it must be stated that given the time constraints, internal and external pressures, the JOP, while missing key aspects of program development through the lens of horizontal management, was able to implement an immensely successful program in a minimal amount of time. While internally the program has been recognized by internal respondents to have its flaws, externally public perception and feedback has been extremely positive

with minimal to no negative feedback regarding program funding allocations and implemented work activities across the province.

Program delivery

Through the outlined case study there is recognition that program delivery was flawed at the initial stage of development of the JOP. Though it could not have been known at the time the use of PwC as the administrator, while efficient and a means to meet the imposed timelines, would result in program inconsistencies that through redevelopment would need to be repaired.

Unfortunately, due to the minimal time to develop clear responsibilities through program structure, and the essential reporting requirements, there were significant road blocks encountered. These included the misconception that the JOP was a PwC program; this is explored further through an analysis of accountability in the following section; and further included the MFR not having all of the facts on hand with respect to project submissions and the implementation of projects once approved for funding.

PwC, as noted previously in the background review and the case study, has a historical relationship with the MFR which resulted in resounding trust in their ability to deliver, and confidence in their capacity to implement the required funding structures necessary for the JOP. However, even though these imperative items were missed in the beginning, through the reciprocal horizontal relationship already in place with PwC, program staff were able to meet these challenges with effectiveness, efficiency and with rapid turn-around.

Externally while there were some difficulties with the website and the burden of administrative reporting requirements noted, most felt that the administrator was great to deal with and that PwC was very knowledgeable, readily available to answer enquiries, and were preferable to working with over government. This is reflective of the literature available on working with the private sector as noted in the review. The potential benefits of PPP's include improved service delivery and cost-effectiveness and based on the responses of survey participants this looks to have been achieved through the JOP.

Further information provided through survey responses state that local district contacts and local government agencies should have been used to implement the JOP. Specifically respondents believed that owing to the fact that because eligible activities involved local decision making and approval processes, local government should have been responsible for administering the program and not PwC. This raises a point that is referenced in the literature with respect to working within a PPP, the question of risk and accountability to the public. This will be addressed further in the following section.

Internal respondents' reaction to the delivery of the program was mixed. There is specific reference however that the program's allocation of funding should specifically reflect government goals, strategic plans, and district requirements. Of note here is that while these aspects may have come into the decision making process at one point or another in determining funding allocations, the goal of the JOP was to enable unemployed resource workers to get back to work on short-term employments opportunities.

It is evident that as the JOP progressed over the three year term, this key objective was becoming less recognized and was potentially being reprioritized. It would appear through the case study and through an analysis of survey responses that rather than noting that impacted workers were being employed and remaining in their respective communities, it was the work activities that received significant mention. One respondent noted that there was little collaboration to approve projects that benefitted specific program areas or in setting priorities with respect to which projects to approve.

The literature warns against this type of individual priority seeking and conflicting agendas. However, based on the case study, survey responses, and recognized program success, these conflicts while not specifically addressed throughout the three year term, were a subtle feature that was included in program review when it was required. Further recognition must be given to the fact that the horizontal partnerships that were a feature of the JOP over the three year term of the program, constantly evolved and were able to adapt to change.

Whether this change was viewed as positive or negative internally or externally, the core staff members involved at the MFR, the MCD and PwC were able to consistently work together collaboratively, without losing sight of the goals and objectives of the group. One respondent makes mention of this feature of the group and states that the “JOP should be recognized as an example of inter-ministry success, who completed excellent cross-Ministry work at the staff level.”

Accountability

A review of the literature makes it clear that there should always be an inherent emphasis on accountability within horizontal partnerships. While it has been discussed that accountability within inter-organizational arrangements can often be ambiguous, it is a feature that was forefront in the delivery of the JOP. There were initial challenges encountered, most specifically with the preliminary delivery mechanism for the program being in the hands of PwC. On the outside public perception was being drawn that the JOP was the responsibility of PwC, and this created concerns for the government members of the group.

In order to remain accountable to the Ministers responsible and to the public, program redevelopment took place in April 2009 to address this concern. The external survey findings suggest that the delivery mechanism through PwC was efficient, straightforward, and even preferred over dealing with government. However, as the literature notes, mitigating any encountered problems with respect to program structure and questions of responsibility must be addressed when they appear. There is further reflection in a survey participant’s response that notes that PwC seemed at first, to be the only entity where program related enquiries could be answered. This question of accountability had to be addressed and the designated responsibilities realigned in order to mitigate any future enquiry or concern with respect to program delivery.

It is important here to reflect that PwC had a long standing historical relationship with the MFR through an existing agreement. There was high confidence in their ability to deliver

the JOP and for the organization to assume the responsibility of answering public enquiry. However, when accountability with respect to the delivery and success of the program became a concern through public scrutiny, it was determined that the MFR should take on a more fundamental leadership role regarding the delivery of the JOP. This does not reflect any error on the part of PwC; it merely reflects the missed opportunity at program development to structure the program according to accountability requirements of the government in order to meet goals and objectives, while allowing PwC to remain impartial as the administrator in the background.

After the program was redeveloped and the initial application process was transferred over to the MFR (though still being received by PwC in April 2009) government was able to be accountable to the increasing requests for information from the MO and from the general public regarding application status, submission enquiries, and funding approval timelines.

Internal survey respondents reflected that more accountability should have been transferred to the local district level as these employees were fundamental in getting projects underway at the local level. It is here that the development of the program missed a key piece with respect to horizontal partnership arrangements and eventual accountability of government.

The JOP required certain approvals, permits, licenses, prescriptions, and other requirements related to work activities to be in place prior to final approval for project's to get underway. In year one of the JOP this meant that program staff were expecting local level districts to be accountable to the public in delivering these requirements. As the program picked up momentum and approvals increased, workload for local level employees was increasing significantly.

Further internal survey participants response denotes the frustration that was building at the local level with respect to these cumulative pressures. Local district staff were being approached by both experienced and inexperienced applicants for approvals, which were expected to be delivered in a swift manner. Thus, internal employees were ultimately being forced to be accountable for a project's work activities that they may or may not have previously been aware of before approval. This was addressed after concerns were raised, and program staff developed a local district contact list within the MFR in order to mitigate some of these external accountability pressures.

While this frustration remained for some throughout the three year term of the JOP, program staff did reflect the need for change in year three. In order for projects to be approved, the applicant was required to produce a mandatory letter of support from the Ministries that would have to provide direction and approval documents in order for the project to move forward. As a result, local level staff were aware of the project submissions and could make the decision prior to the project being approved, whether to support the project or to not provide their support.

One internal respondent did express frustration at the short turn-around time for mandatory documents to be submitted. While this is a worthwhile concern, it should be noted that the limited timelines did not reflect the program requirements but reflected the preparedness of the applicant. Applicants were given from December 11, 2009 – January 22, 2010 to

prepare their applications and to obtain support from the required local level staff prior to submitting their project applications for review. The appearance of a short turn-around time may reflect the fact that program staff extended an additional week to applicants once their applications had been submitted in order to provide the mandatory documents that were required. While these documents should have been provided when an application was received, it was determined through group discussion to allow an extension in order to appear transparent to applicants regarding the mandatory requirements.

An additional concern raised by an internal survey participant is solely related to the question of transparency and accountability. It was noted that when projects were not selected for approval that the rationale behind why certain projects were not selected was not provided and that more specifically that the 2008/2009 JOP “was not structured transparently” and that the “in-stream changes to program delivery caused significant frustrations.” As noted in the case study, the in-stream changes that the respondent refers to are with respect to project requirements, specifically the needs for local level approvals, permits, and budget requests.

These concerns reflect the limited internal communications regarding program requirements that should have been developed when the program was first implemented. The survey findings show that this lack of communication and specific direction related to the JOP caused timeline constraints and a higher workload for local level employees that were not addressed through the appropriate channels of communication. As reflected in the literature, communication processes and requirements must be created at the outset of any horizontal initiative.

This raises a further aspect of horizontality that is noted in the literature regarding the essence of volunteerism and involvement in the JOP. It is evident that due to the limited communications and appropriate notifications to involve local level employees, their involvement in the program was anything but voluntary. The developmental stage should have recognized that the local districts would have significant input and involvement in approved JOP projects. As a result of their involvement accountability was in essence, significantly deferred to the district level, and mechanisms should have been in place to notify those involved in a more clear, structured and coordinated manner. The JOP had placed accountability on the individual, who in turn was being asked to be accountable to both the vertical organization and to the horizontal partnership.

However, while a source of frustration and increased workload to the local level occurred, internal employees did recognize the higher level benefit that the JOP was accomplishing in resource dependent communities. Further supposition could be made that in order to meet provincial goals and targets in specific areas and as a result of significant changes and reductions to budgets, a number of the work activities that may have been feasible under the JOP was a means for various ministries to achieve targets with supplementary provincial funding other than their own budget dollars.

It has been recognized that as a result of funding that was being directed to the districts throughout the province, local level goals and objectives were being met through JOP funding. For example, through over \$14 million in JOP funding, fuel management goals

and targets were being achieved and as a result the district level was meeting public need. As one respondent notes, “the program has been valuable because our Ministry did not have to tender or administer the project and only had to provide permits and support crews with safety related items.”

While there is no mention of the funding assisting the local level with meeting their own objectives, a review of the funding allocations to date, and the work activities they have addressed, make it clear that JOP funding has not only helped impacted resource workers and their communities, it has also assisted the local level leverage other provincial funding to offset internal budget constraints.

Public scrutiny of the program has been high given the current downturn in industry that has significantly impacted the resource sector in BC. Throughout the three year term of the program there has been an unmitigated commitment by program staff to remain efficient, transparent and accountable. Further, the success of the program to date is evidence of the enduring perseverance by group members to effectively deliver a program that meets both internal and external needs. As a result the program has met its initial objectives and has been able to employ over 3,000 unemployed resource workers on more than 280 short-term job opportunities throughout high need areas across the Province.²¹

Although the increased workload and lack of communication caused a modicum of dissatisfaction at the local level, overall the JOP has been able to remain accountable both vertically and horizontally, but most specifically it has remained highly accountable to the public.

Leadership

It is evident throughout the literature that one of the most important key success factors in any horizontal initiative is effective leadership. Leaders must be flexible, dynamic and able to motivate. Leaders must often play dual roles while pursuing group collectivity and maintaining momentum. In addition, a leader must be aware of group synergies and recognize success. Through an analysis of the case study, it is evident that one of the biggest successes to be found in the JOP is within the leadership. While leadership is not specifically reflected in the findings from the survey, it is clear through the case study that shared leadership played one of the most fundamental roles in the success of the three year program.

While it has been revealed through the research in this report that there have been developmental, structural and communication challenges, it is a result of the leadership of the program that has enabled program goals and objectives to be met, and in turn be provincially successful. Group members worked together to achieve a common goal, and through the shared leadership of the program, were able to meet the challenges the program posed with open minds and through a collective and collaborative process, address the problems with which they were confronted.

²¹ At the time of writing the final funding allocation decisions had not been determined. Total resource workers employed and total number of projects across the Province will be announced in April 2010 on the program website at: <http://www.cd.gov.bc.ca/cdt/>.

Through the historical relationship with PwC and the horizontal partnership with MCD, program staff were able to develop and implement a \$26.25 million program in less than three months. Initial challenges were faced but it was through collaboration and cooperation that these challenges were addressed. Program staff did not view other members or organizations as enemies but as partners seeking a common goal, as Bourgault and Lapierre (2000) illustrate is a necessity for successful horizontal management.

Throughout its history the JOP has faced tremendous pressures both internally and externally. Internally, government goals and objectives – above and beyond the rationale behind the development of the JOP – at times were mandatory with respect to the allocation of funding. Externally, the group faced approval pressures from FN bands, which at times forced their hand due to extenuating circumstances beyond their control. Further pressures resulted from the projects that were approved, where the projects were located, who was hired on the project, how much per hour workers were to be paid, and any number of other confounding factors, for which government, and least of all PwC, were prepared.

It was through collaboration and open communication that these pressures were able to be met with professionalism, candor, and accountability by the horizontal partners. The delivery of the JOP was new to government and both fortunately and unfortunately, as noted in the case study, was a build-design initiative. The program in essence, was implemented, and then it was developed. This was a result, as previously revealed, of significant time constraints, accountability to Cabinet by the Ministers initially responsible, and public pressure to implement the funding provided by the national CDT to the Province.

The leadership dimension of the horizontal relationship with PwC was virtually seamless. This was a result, as noted, of the historical relationship and trust previously in place with the MFR. Initially however, the relationship with the MCD took time to develop. This was a result of the JOP being developed and implemented by, and the sole responsibility of, the MFR to deliver. Even though the MCD held the funding in trust for the projects that were being approved, the MFR were effectively solely responsible for the delivery of the program. As the program progressed and a greater need for horizontal coordination was apparent, leadership was again broadened to encompass the assistance from the MCD.

Shared leadership has been prevalent throughout the three year term of the program. Individual priorities and departmental goal seeking has not played a role or hindered the group dynamics. Any challenges or issues were addressed when they arose which allowed for the progression of the horizontal initiative and the program to take shape.

Throughout, leadership has not been in question. It has not been heavy handed nor has it appeared overtly hierarchical. Leadership has been shared through all of the organizations involved, which has resulted in the ease and ability to address issues as they arise and develop solution options as a group.

All of the elements that Bardach (2001) reveals in the interorganizational collaborative capacity framework have appeared in the JOP. All aspects have revealed themselves throughout the three year term and all members should benefit from the continuous learning

that is the end result. It is evident through the case study and the provincially recognized achievements of the JOP that the individuals involved played a significant role in this initiative's horizontal success.

X. RECOMMENDATIONS

Based on the research conducted in this report the following recommendations have been developed to shape thinking concerning future horizontal initiatives potentially contemplated by the MFR. These recommendations relate to four areas of horizontal program design specifically related to:

- i) program development;
- ii) program accountability, leadership and responsibilities;
- iii) program delivery and communications; and
- iv) program evaluation.

It is imperative to be aware that the recommendations are provided as a coherent package with each element contributing to more effective horizontal management in the JOP. To leave any recommendation out of the package risks incomplete program development and implementation that should account for i) public and political accountability, ii) internal and external pressures relating to both media relations and effective program delivery, as well as iii) reporting requirements to the horizontal group and the vertical structure.

Based on the JOP experiences, the following activities could be considered for any horizontal management initiative to be carried out in the future in the BC government.

Issue: Program Development

Rationale: At the beginning of a government horizontal initiative and at the outset of program development construct a comprehensible and delineated structure, ensuring that the specifics of the group's existence are rationalized, explained, and linked to government goals and objectives. The reason for the group must be explained and laid out clearly.

Recommendation one:

- Complete a risk assessment and develop a risk management framework. This will include questions related to the type and mechanism of implementation such as:
 - legislation, local law, regulation, Parliament, Cabinet, Minister, Executive, Budget?
 - decision makers – Cabinet, Executive Council, Responsible Minister?
 - review the impacts that may occur in communities with respect to small business, local level contractors, affected workers?
 - what are the financial impacts?
 - timeframes – for development, implementation and execution of the horizontal initiative?
- Imposed deadlines increase pressure, however take the time to develop the program effectively by:
 - determining the complexities of the program;
 - look at what you have and what you need; and

- determine how flexible program requirements are, what may challenge the requirements and how adjustments will be made.
 - Execute smart practices by:
 - evaluating historical examples and case studies;
 - evaluating the successes and limitations of other programs; and
 - seeking to build on these examples of smart practices.
 - Identify consequences of the program by:
 - evaluating the implementation of the program;
 - evaluating what pieces will result in what outcomes; and
 - evaluating what public scrutiny will reveal.
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Issue: Program Accountability, Leadership and Responsibilities

Rationale: The development of definitive reporting requirements, roles and individual responsibilities for group members will ensure that the initiative progresses with all individuals involved being aware of what is required of them. Determine who is accountable to whom, when, and specify why this is required in order to mitigate internal and external pressures when information regarding a horizontal program is required. It is imperative to ensure that a government program has government accountability firmly in place.

Recommendation two:

- Articulate responsibilities of all horizontal partners clearly including leadership roles;
 - Know what the objectives and goals are of the program and spell them out;
 - Determine who reports what, when, and to whom;
 - Provide rationalizations to responsibilities, requirements and tasks;
 - Link group requirements to both group and government goals and objectives;
 - Ensure notification to interorganizational staff, notify of their roles in the program, and what their requirements will be with respect to program objectives;
 - Be clear on who is involved and keep members updated consistently, not on a random basis; ensure this is completed prior to pressures demanding updates;
 - Document tasks and responsibilities and disseminate as frequently as needed when changes are made;
 - Evaluate skill sets of group members in order to delegate tasks effectively with minimal time constraints (quick turn-around);
 - Distribute program information to group members and others involved internally;
 - Determine who is accountable, for what, and to whom, and for what purpose;
 - Determine what will constitute public accountability; and
 - Evaluate how high profile the program will be and what this will mean to group members responsibilities.
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Issue: Program Delivery and Communications

Rationale: The coordination and execution of program delivery should appear seamless with a balanced communications plan that outlines reporting requirements with clear timeframes and reporting structure. Delivery and communications are two significant aspects of horizontal initiatives that assist in solidifying public accountability.

Recommendation three:

- Determine the resources and financial aspects of the program, this will be based on the development of the program as well as the funding that the program will provide, if relevant;
 - If funding sources change mid-program, ensure a revaluation of the program is completed; this will help to create a seamless delivery process, facilitating the awareness of reporting requirements, funding expectations, timelines, and other relevant factors with respect to funding sources;
 - Test program documents, processes, and evaluation methods;
 - Develop a communications plan; this should include any information that has any bearing on the program including:
 - Coordinate public affairs information, responsibilities and timelines;
 - Determine notification procedures prior to intake (if relative), after decisions are made, and how appeals will be handled;
 - Ensure regular communication processes are in place with all levels and horizontal members involved with the program such as: line agencies, central agencies if required, the vertical organization, Ministers responsible, public affairs bureau, executive, and program staff;
 - Develop methods for communicating which will include decisions, changes, developments, challenges, suggested improvements, public feedback, external and internal reporting requirements; and
 - Ensure regular reporting is completed by those members responsible, this will be determined in the program accountability and responsibilities stage.
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Issue: Program Evaluation

Rationale: It is essential to complete an ex ante and ex post program evaluation of a horizontal initiative in order to learn from smart practices and to ensure that any successes or limitations garnered from horizontality is recorded and used to inform future partnership arrangements. Program evaluation can also be carried out on an ongoing basis if the arrangement is intended to be long term.

Recommendation four:

- Just as it is completed in the program development stage, smart practices must be executed upon completion of the horizontal initiative by evaluating program examples from each of the following four stages:
 - Consultation;
 - Development;
 - Implementation; and
 - Delivery;

- Evaluate the successes and limitations of the program through the four stages; and
- Develop a written report that discusses what occurred throughout the four stages with respect to the horizontal initiative.

XI. CONCLUSION

It is evident that a clear definition and theory on the best way of implementing horizontal initiatives still remains elusive. The goal of this report was to provide a single case study analysis of the JOP, with a review of smart practices of the horizontally managed program.

The central questions that were the driving factor behind this report is how and why the use of horizontal management to deliver and implement the JOP in BC can be considered effective, while further addressing the benefits and limitations of the practical application of horizontality in government.

While the JOP did encounter challenges and risks, from a government perspective, it is clear that the use of horizontal management in this case was successful. The JOP has been provincially recognized for its ability to deliver funding to resource-dependent communities across the province and to enable over 3000 impacted resource workers to be involved in short term employment opportunities, enabling them to remain in their communities.

This report was able to provide a detailed single case study through a review of the three year term of the program and a detailed analysis of the survey findings to come up with four recommendations to the MFR to inform future horizontally managed programs in government. These recommendations have been provided as a package meant to be completed as a whole and not in a single fashion.

The four recommendations are focused on effective and cohesive program delivery; ensuring program accountability, leadership and responsibilities are determined early on in the partnership; to develop a plan to facilitate program communications efficiently and in a timely fashion, and to conduct a program evaluation at the conclusion of any horizontally managed initiative.

This report can be used as a guide to the development, implementation and execution of future horizontal collaborations. The single case study analysis included in this report will position the MFR in a direction that will enable them to mitigate risk and questions of accountability that inevitably arise when working across organizations.

As a result of this report it has been identified that an additional review of the JOP should be completed at the end of the final year in 2011, when all projects have been completed and reporting requirements have been satisfied. This will enable the MFR to solicit feedback from a wider range of recipients of program funding and further inform the horizontal management of the JOP. A higher response rate from funding recipients will provide additional feedback that will help to inform horizontal management from a practical perspective, which will supplement and enhance the theoretical knowledge currently in place.

In the subsequent report, the full three year term of the JOP should be covered, and in addition, a review of the CDT as a whole should be completed to collect reaction and comment regarding the three programs developed under the CDT. This will provide a

fulsome collation of information and feedback from those internally and externally involved with the CDT programs.

In this report the JOP was presented as an example of horizontal management in government. It can be concluded that the use of horizontal management in this single case was effective, efficient, and subsequently, was able to withstand public and Ministerial scrutiny in order to ensure government accountability.

The JOP further reflects the literature in that it had inherent within it many of the factors that would contribute to its success, but also throughout its three year term was faced with challenges and risks as posed in the theoretical knowledge presented.

Through shared leadership, accountability, the perseverance of group members and the resultant group dynamics that emerged through the horizontal process, the JOP is a successful example of horizontal management in government and should be recognized for its achievement through immense adversity.

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XII. APPENDICES

APPENDIX A

Internal Survey Questions

1. How are you involved with the Job Opportunities Program?

- i. Ministry of Community and Rural Development
- ii. Ministry of Forests and Range
- iii. Ministry of Environment
- iv. Ministry of Transportation and Infrastructure
- v. Ministry of Tourism, Culture and the Arts
- vi. Other

2. Do you feel that Job Opportunities Program is meeting its objectives? The objectives have been defined as the following:

The Job Opportunities Program supports activities that provide short-term employment for impacted resource workers. Through opportunities workers will retain and build upon existing skill sets which will help to maintain the workforce during the economic downturn.

a. Retaining skilled workers

- i. Completely
- ii. Somewhat
- iii. Undecided
- iv. Not Really
- v. Not At All

b. Increasing workers skill

- i. Completely
- ii. Somewhat
- iii. Undecided
- iv. Not Really
- v. Not At All

c. Benefits to resource communities

- i. Completely
- ii. Somewhat
- iii. Undecided
- iv. Not Really
- v. Not At All

3. Do you find the program website easy to navigate?

- i. Completely
- ii. Somewhat
- iii. Undecided
- iv. Not Really
- v. Not At All

4. Do you find the application process easy to understand?

- a. Eligible work activities
 - i. Yes
 - ii. No
 - iii. Undecided
 - b. Resource worker eligibility
 - i. Yes
 - ii. No
 - iii. Undecided
 - c. Completing the application form
 - i. Yes
 - ii. No
 - iii. Undecided
 - d. Submitting an application
 - i. Yes
 - ii. No
 - iii. Undecided
5. Horizontality in government has been described as partnership arrangements that are used as an approach to public service delivery which leads to increased intergovernmental collaboration. Do you feel that the Job Opportunities Program is a good example of horizontality in government based on this definition?
- i. Completely
 - ii. Somewhat
 - iii. Undecided
 - iv. Not Really
 - v. Not At All
 - vi. Other
6. Job Opportunities Program funding ends in 2011. If another funding window opened up for 2011/2012 what changes would you recommend? Please select all that apply.
- a. Application form
 - i. Yes
 - ii. No
 - iii. Undecided
 - b. Detailed budget form
 - i. Yes
 - ii. No
 - iii. Undecided
 - c. Program guide
 - i. Yes
 - ii. No
 - iii. Undecided

- d. Eligible work activities
 - i. Yes
 - ii. No
 - iii. Undecided
 - e. Resource worker eligibility
 - i. Yes
 - ii. No
 - iii. Undecided
 - f. Program website
 - i. Yes
 - ii. No
 - iii. Undecided
7. If you have questions related to the Job Opportunities Program, which sources do you contact and how often? Please select all that apply.
- a. JOP email
 - a. One to three times
 - b. More than three times
 - c. Not applicable
 - b. Toll-free number
 - a. One to three times
 - b. More than three times
 - c. Not applicable
 - c. Minister's office
 - a. One to three times
 - b. More than three times
 - c. Not applicable
 - d. Public Affairs Bureau
 - a. One to three times
 - b. More than three times
 - c. Not applicable
 - e. MLA's office
 - a. One to three times
 - b. More than three times
 - c. Not applicable
 - f. M.P.'s office
 - a. One to three times
 - b. More than three times

- c. Not applicable
- g. Program Executive Director
 - a. One to three times
 - b. More than three times
 - c. Not applicable
- h. Program Director
 - a. One to three times
 - b. More than three times
 - c. Not applicable
- i. Program Manager
 - a. One to three times
 - b. More than three times
 - c. Not applicable
- j. PricewaterhouseCoopers
 - a. One to three times
 - b. More than three times
 - c. Not applicable

8. Please provide any further comments about the Job Opportunities Program that you would like to share.

External Survey Questions

1. How did you hear about the Job Opportunities Program?

- i. Co-worker
- ii. Federal news release
- iii. Website
- iv. Friend/Neighbor
- v. Presentation
- vi. Employment centre
- vii. Television
- viii. Radio
- ix. Local community newspaper article
- x. Union of British Columbia Municipalities
- xi. Other

2. Do you feel that the Job Opportunities Program met its objectives? The objectives have been defined as the following:

The Job Opportunities Program supports activities that provide short-term employment for impacted resource workers. Through opportunities workers will retain and build upon existing skill sets which will help to maintain the workforce during the economic downturn.

- a. Retaining skilled workers
 - i. Completely
 - ii. Somewhat
 - iii. Undecided

- iv. Not Really
 - v. Not At All
- b. Increased workers skill
- i. Completely
 - ii. Somewhat
 - iii. Undecided
 - iv. Not Really
 - v. Not At All
- c. Benefits to resource community
- i. Completely
 - ii. Somewhat
 - iii. Undecided
 - iv. Not Really
 - v. Not At All
3. Did you find the 2008/2009 application process easy to understand?
- e. Eligible work activities
- i. Yes
 - ii. No
 - iii. Undecided
- f. Resource worker eligibility
- i. Yes
 - ii. No
 - iii. Undecided
- g. Completing the application form
- i. Yes
 - ii. No
 - iii. Undecided
- h. Submitting an application
- i. Yes
 - ii. No
 - iii. Undecided
4. Please select which of the following your organization represents.
- a. Local government
 - b. For profit
 - c. Not for profit/Non-profit
 - d. First Nations
 - e. Other
5. Job Opportunities Program funding ends in 2011. If another funding window opened up for 2011/2012 project applications would you apply?

- a. Yes
- b. No
- c. Undecided

6. If you had questions related to the application process prior to approval, which sources did you contact and how often? Please select all that apply.

a. Email

- i. One to three times
- ii. More than three times
- iii. Not applicable

b. Toll-free number

- i. One to three times
- ii. More than three times
- iii. Not applicable

c. Minister's office

- i. One to three times
- ii. More than three times
- iii. Not applicable

d. Public Affairs Bureau

- i. One to three times
- ii. More than three times
- iii. Not applicable

e. MLA's office

- i. One to three times
- ii. More than three times
- iii. Not applicable

f. MP's office

- i. One to three times
- ii. More than three times
- iii. Not applicable

g. Program Executive Director

- i. One to three times
- ii. More than three times
- iii. Not applicable

h. Program Director

- i. One to three times
- ii. More than three times
- iii. Not applicable

- i. Program Manager
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- j. Friend/Neighbor
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- k. Co-worker
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- l. PricewaterhouseCoopers
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable

7. Once you received program funding, if you had questions regarding your project, which sources did you contact and how often? Please select all that apply.

- a. Email
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- b. Toll-free number
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- c. Minister's office
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- d. Public Affairs Bureau
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- e. MLA's office
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable

- f. MP's office
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- g. Program Executive Director
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- h. Program Director
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- i. Program Manager
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- j. Friend/Neighbor
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- k. Co-worker
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- l. PricewaterhouseCoopers
 - i. One to three times
 - ii. More than three times
 - iii. Not applicable
- 8. Please provide any further comments about the Job Opportunities Program that you would like to share.

APPENDIX B

Stakeholder Groups

Unions:

- United Steelworkers of Canada (USW)
- Communications, Energy, and Paperworkers Union of Canada (CEP)
- Pulp, Paper and Woodworkers of Canada (PPWC)
- BC Federation of Labor (BCFL)

Employer Associations – Labor Relations:

- Forest Industrial Relations (FIR)
- Council of Northern Interior Forest Employment Relations (CONIFER)
- Interior Forest Labor Relations Association (IFLRA)

Industry Associations – Business:

- Council of Forest Industries (COFI)
- Coast Forest Products Association
- Interior Lumber Manufacturers Association
- Truck Loggers Association (TLA)
- Central Interior Logging Association
- Northwest Loggers Association
- Interior Logging Association
- Western Fallers Association

Employers (representing the Pulp and Paper industry):

- Mercer International and West Fraser Timber

Ministries in Government and Cross Government:

- Ministry of Forests and Range
- Ministry of Advanced Education
- Ministry of Economic Development
- Ministry of Labor and Citizens' Services
- Ministry of Community Services
- Federal – Service Canada
 - Employment Service Providers

Communities:

- Union of BC Municipalities (UBCM)

First Nations:

- First Nations Forest Advisory Council

Working Group:

The following is a list of organizations who make up the working group which was consulted on the development of the transitional assistance component, and provided advice where needed on other components.

Unions:

- United Steelworkers of Canada (USW)

- Communications, Energy and Paperworkers Union of Canada (CEP)
- Pulp, Paper and Woodworkers of Canada (PPWC)

Coast and Interior Employers:

- Coast Forest Products Association
- Council of Northern Interior Forest Employment Relations

Independents:

- Truck Loggers Association
- Interior Logging Association
- Western Fallers Association

Pulp and Paper Employers:

- Mercer International and West Fraser Timber (on behalf of Pulp Employers)

Other Experts:

- Pension Expert
- Forest Consultant

APPENDIX C

Tuition and Transition Assistance Program Eligibility Criteria

You may be eligible for Tuition Assistance Program funding if all four of the following Eligibility Requirements apply to you. Please note that these requirements differ from those for other Community Development Trust programs:

- You are a Canadian citizen, permanent resident, or a protected person living in British Columbia with a valid Canadian Social Insurance Number (SIN).
- Your primary occupation for at least the past two years has been working in B.C.'s forest industry as an employee of a major licensee, contractor, subcontractor, a processor or as an independent owner/operator.
- At least 65 per cent of your earned income has come from forest industry work in each of the past two years.
- You were laid-off on or after May 1, 2007 for a period of four months or longer.

If all four of these points apply to you, then you may wish to apply to the program.

You are not eligible if:

- You left your forest sector job before May 1, 2007, or
- You were terminated for cause, or you voluntarily resign prior to having your Tuition Assistance Program application approved, or
- You are an owner/ manager, director or officer, except in the case of independent owner/operators.
- Your entire forest employment is contained within a summer season.

Definitions

When we say

We mean

- | | |
|------------------------------|---|
| • Contractor | A person or entity holding a contract or subcontract to harvest or deliver wood fibre in British Columbia. |
| • Independent owner/operator | An individual who owns and operates a piece of forest harvesting, hauling or processing equipment under a contract or subcontract to harvest or deliver wood fibre in B.C., and does not employ contractors or employees. |
| • Major licensee | A person or entity holding a major licence in B.C. within the meaning of the Forest Act. |
| • Processor | A person or entity operating a primary breakdown sawmill, pulp mill or value added operation focusing on wood products derived directly from a B.C. timber harvesting operation or a B.C. primary breakdown sawmill. |

APPENDIX D

Job Opportunities Program Worker Eligibility Criteria

Recipients of Job Opportunities Program funding must make an effort through job postings and advertising to notify unemployed resource workers in the project area of upcoming employment opportunities funded by the program.

To qualify as an unemployed resource worker under the Job Opportunities Program, a worker must meet all four of the following Job Opportunities Program Worker Eligibility Requirements. Please note that these requirements differ from those for other Community Development Trust programs:

- The worker's resource employment was in forestry, fishing, agriculture, mining, or manufacturing.
- The worker lives in British Columbia and his or her primary occupation for at least two of the past three full years has been working in a B.C. resource industry as an employee of a company, a contractor, a sub contractor, or as an independent owner/operator.
- At least 65 per cent of the worker's earned income has come from resource industry work in at least two of the past three years.
- The worker lost his or her resource sector job on or after May 1, 2007 due to:
 - permanent shift reduction, closure or workforce reduction; or,
 - involuntary lay-off or loss of contract work of more than, or expected to be more than, four months.

Documents that may help workers prove their eligibility include Records of Employment, layoff notices, contracts and correspondence and/or tax forms.

Workers who meet all four of these requirements may wish to contact organizations that are funded for job opportunities created under the Job Opportunities Program. Each funded recipient is responsible for its own hiring.

Workers are **not** eligible if:

- their loss of work was due to a regular seasonal break, or
- they resigned voluntarily, or
- they were terminated for cause, or
- they are an owner/manager, director or officer, except in the case of independent owner/operators.

Definitions

When we say

We mean

Contractor

A person or entity holding a contract or subcontract to do work for a resource company in British Columbia.

Independent owner/operator

An individual who owns and operates a piece of equipment under a contract or subcontract to a resource company in B.C., and does not employ contractors or employees.